

1 STEPHEN M. HAYES (SBN 83583)  
TYLER R. AUSTIN (SBN 293977)  
2 HAYES SCOTT BONINO ELLINGSON  
GUSLANI SIMONSON & CLAUSE LLP  
3 999 Skyway Road, Suite 310  
San Carlos, CA 94070  
4 Telephone: 650.637.9100  
Facsimile: 650.637.8071

5 Attorneys for Defendants  
6 NATIONAL GENERAL INSURANCE COMPANY and  
INTEGON NATIONAL INSURANCE COMPANY

7  
8 UNITED STATES DISTRICT COURT  
9 CENTRAL DISTRICT OF CALIFORNIA (WESTERN DIVISION)

10 BETTY J. SCOTT TORRES; MARIA  
11 CHAVEZ; TYLER THOMPSON; PABLO  
HERNANDEZ; YOLANDA SALAMANCA  
12 DIAZ; ASCENCION GALARZA; FRANKIE  
LEE TAYLOR, JR.; SUSANA MORENO  
13 ARIAS; MARCO ARANGO JERONIMO;  
JULIE MILLER; RICARDO RUIZ;  
14 CARLOS ARMANDO RUIZ RIVERA;  
MARY LUZ MARQUEZ LOBO; ROBERTO  
15 VILLASENOR CARDENAS; JONI  
CISOWSKI; SATIN WEAVER; WALTER  
16 SALAZAR MARTINEZ; ANTONIO  
BENITO ARELLANO; CORNELIUS L.  
17 SHIVERS; CHRISTIAN SCHEFFLER; JOSE  
AUGUSTIN PAZ MENDOZA; JESSE  
18 MIRAMONTES; LETICIA BERMEJO;  
MAYA GAITERBRITON; AND MATIAS  
19 BRAVO HERRERA, AS INDIVIDUALS  
AND ON BEHALF OF ALL OTHERS  
20 SIMILARLY SITUATED,

21 Plaintiffs,

22 vs.

23 NATIONAL GENERAL INSURANCE  
COMPANY; INTEGON NATIONAL  
24 INSURANCE COMPANY; AND DOES 1  
THROUGH 120,

25 Defendants.

CASE NO.: \_\_\_\_\_

**DEFENDANTS NATIONAL GENERAL  
INSURANCE COMPANY AND INTEGON  
NATIONAL INSURANCE COMPANY'S  
NOTICE OF REMOVAL OF CIVIL ACTION  
UNDER 28 U.S.C. SECTIONS 1332 AND 1441a  
[DIVERSITY JURISDICTION];  
DEMAND FOR JURY TRIAL**

26 Complaint Filed: September 10, 2021  
27 Trial Date: Not Yet Assigned.

1           **TO THE CLERK OF THE ABOVE-ENTITLED COURT:**

2           PLEASE TAKE NOTICE that defendants National General Insurance Company and  
3 Integon National Insurance Company (hereinafter collectively as “Defendants”) hereby remove to  
4 this Court the state action described below:

5           1.       Defendants have been sued in the civil action commenced on September 10, 2021 in  
6 the Superior Court of the State of California, County of San Bernardino, Case No. CIV SB  
7 2124803, entitled *Betty J. Scott Torres, et al. v. National General Insurance Company, et al.* A  
8 copy of the Complaint is attached hereto as **Exhibit 1** and is incorporated as part of this notice. The  
9 Complaint has not yet been served on Defendants.

10          2.       Defendants filed an answer to the Complaint in state court on October 18, 2021. A  
11 true and correct copy of Defendants’ answer is attached hereto as **Exhibit 2** and is incorporated as  
12 part of this notice.

13          3.       This action is a civil action of which this Court has original jurisdiction under 28  
14 U.S.C. section 1332 and is one that may be removed to this Court by Defendants pursuant to the  
15 provisions of 28 U.S.C. section 1441, subdivision (a), in that it is a civil action wherein the matter  
16 in controversy exceeds the sum of \$75,000 exclusive of interest and costs and is between citizens of  
17 different states.

18          4.       The fact that the amount in controversy exceeds the minimum requirement for  
19 diversity jurisdiction can be determined by the nature of the claims and the amount and type of the  
20 damages sought in the Complaint. The Complaint is styled as a class action and alleges causes of  
21 action for Bad Faith (Breach of the Implied Covenant of Good Faith and Fair Dealing,) Unfair  
22 Business Practices (pursuant to Cal. Bus. & Prof. Code § 17200 *et seq.*) and breach of contract.  
23 Although the Complaint is styled as a class action, it also names 25 individual plaintiffs, each of  
24 whom claim that defendants wrongly denied their automobile insurance claims for both collision  
25 damage and liability. Complaint, ¶¶ 7, 9, 15. Plaintiffs further allege that Defendants engaged in  
26 unfair business practices by which Defendants wrongfully denied insurance claims based on  
27 material misrepresentations which plaintiffs assert were not material. *See, e.g.*, Complaint, ¶ 21.

28          5.       Plaintiffs’ Complaint includes a broad prayer for relief which seeks recovery of both

1 general and special, non-economic and economic damages. Complaint, p. 166:20-23.

2 6. Plaintiffs also seek recovery of their attorney fees and costs for this action.  
3 Complaint, p. 166:26-27. The claim for attorney fees and costs constitutes an element of plaintiffs’  
4 special damages on a theory that plaintiffs incurred these so-called *Brandt* fees to recover  
5 unreasonably withheld policy benefits. *Brandt v. Superior Court*, 37 Cal.3d 813 (1985.)

6 7. Plaintiffs also seek punitive damages. Complaint, p. 166:24-25. Even if the Court  
7 adopts a “due process multiplier” of just one times actual damages, the amount in controversy  
8 would be more than \$75,000. *Johnson v. Ford Motor Co.*, 35 Cal.4<sup>th</sup> 1191 (2005); *Wysinger v.*  
9 *Automobile Club of Southern California*, 157 Cal.App.4<sup>th</sup> 413 (2007).

10 8. At the time of the commencement of this action, and at all times since, defendant  
11 National General Insurance Company has been, and still is, a corporation of the State of Missouri,  
12 being incorporated under the laws of Missouri, and has had and continues to have its principal place  
13 of business in North Carolina.

14 9. At the time of the commencement of this action, and at all times since, defendant  
15 Integon National Insurance Company has been, and still is, a corporation of the State of  
16 Connecticut, being incorporated under the laws of Connecticut, and has had and continues to have  
17 its principal place of business in North Carolina.

18 10. This action was brought in the State of California. Defendants are not, at the time of  
19 the institution of this action, and are not now, a corporation incorporated under the laws of the State  
20 of California, and do not have at the time of the institution of this action, and do not have now, their  
21 principal place of business in California.

22 Dated: October 19, 2021

HAYES SCOTT BONINO ELLINGSON  
GUSLANI SIMONSON & CLAUSE LLP

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By: /s/ Tyler R. Austin  
STEPHEN M. HAYES  
TYLER R. AUSTIN  
Attorneys for Defendants  
NATIONAL GENERAL INSURANCE COMPANY  
and INTEGON NATIONAL INSURANCE  
COMPANY

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**DEMAND FOR JURY TRIAL**

Defendants National General Insurance Company and Integon National Insurance Company  
hereby demand a trial by jury.

Dated: October 19, 2021

HAYES SCOTT BONINO ELLINGSON  
GUSLANI SIMONSON & CLAUSE LLP

By: /s/ Tyler R. Austin  
STEPHEN M. HAYES  
TYLER R. AUSTIN  
Attorneys for Defendants  
NATIONAL GENERAL INSURANCE COMPANY  
and INTEGON NATIONAL INSURANCE  
COMPANY

# Exhibit 1

**ORIGINAL**

Justin H. King, Esq.  
State Bar No.: 268730  
LAW OFFICES OF JUSTIN H. KING  
8301 Utica Avenue, Suite 101  
Rancho Cucamonga, CA 92730  
Telephone: 909/297-5001  
Facsimile: 909/297-5126  
jking@justinkinglaw.com

**FILED**  
SUPERIOR COURT OF CALIFORNIA  
COUNTY OF SAN BERNARDINO  
SAN BERNARDINO DISTRICT

SEP 10 2021

BY *Nathan Johnson*  
NATHANIEL JOHNSON, DEPUTY

Attorney for Plaintiffs

SUPERIOR COURT OF THE STATE OF CALIFORNIA  
COUNTY OF SAN BERNARDINO

BY FAX

BETTY J SCOTT TORRES; MARIA  
CHAVEZ; TYLER THOMPSON; PABLO  
HERNANDEZ; YOLANDA SALAMANCA  
DIAZ; ASCENCION GALARZA; FRANKIE  
LEE TAYLOR JR.; SUSANA MORENO  
ARIAS; MARCO ARANGO JERONIMO;  
JULIE MILLER; RICARDO RUIZ; CARLOS  
ARMANDO RUIZRIVERA; MARY LUZ  
MARQUEZ LOBO; ROBERTO  
VILLASENOR CARDENAS; JONI  
CISOWSKI; SATIN WEAVER; WALTER  
SALAZAR MARTINEZ; ANTONIO BENITO  
ARELLANO; CORNELIUS L. SHIVERS;  
CHRISTIAN SCHEFFLER; JOSE AUGUSTIN  
PAZ MENDOZA; JESSE MIRAMONTES;  
LETICIA BERMEJO; MAYA  
GAITERBRITON; AND MATIAS BRAVO  
HERRERA, AS INDIVIDUALS AND ON  
BEHALF OF ALL OTHERS SIMILARLY  
SITUATED,

Plaintiffs,

v.

NATIONAL GENERAL INSURANCE  
COMPANY; INTEGON NATIONAL  
INSURANCE COMPANY; AND DOES 1  
THROUGH 120,

Defendants.

CIV SB 2124803  
CASE NO.

COMPLAINT FOR DAMAGES  
AND RESTITUTION

**RECEIVED**  
SEP 10 2021  
SUPERIOR COURT OF CALIFORNIA  
COUNTY OF SAN BERNARDINO

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1 Comes now Plaintiffs, and allege against Defendants National General Insurance  
2 Company and Integon National Insurance Company and Does 1-50, as follows:

3 GENERAL ALLEGATIONS

4 1. At all times herein mentioned, the defendants National General Insurance  
5 Company, and/or Integon National Insurance Company are insurance companies with their  
6 principal place of business in Ontario, California. At all times herein mentioned, said  
7 defendants' agent for service of process is located at 3800 Concoors, Suite 200, Ontario,  
8 California. Said principal place of business is within the venue and jurisdiction of the above-  
9 entitled court.

10 2. At all times herein mentioned, the defendants National General Insurance  
11 Company, and/or Integon National Insurance Company, are insurance companies registered with  
12 the State of California and authorized to underwrite insurance policies within the State of  
13 California. That at all times said Insurance Companies are doing business in the State of  
14 California.

15 3. At all times herein mentioned, each of the Insurance Companies and/or  
16 Underwriters referenced in Paragraph 2, issued and/or were underwriters of automobile liability  
17 policies providing liability coverage and containing first party insurance coverage for Collision  
18 Damage.

19 4. The true names and capacities of the Defendants sued herein as Does 1 through  
20 120, inclusive are currently unknown to Plaintiff(s), who therefore sues said Defendants by such  
21 fictitious names. As to each of the Doe Defendants, Plaintiff(s) is/are currently ignorant of their  
22 identity and/or facts giving rise to a cause of action against said Defendants. Plaintiff(s) is/are  
23 informed and believe(s), and thereon allege(s), that each of the Defendants designated herein as a  
24 Doe engaged in wrongful conduct and is legally responsible in some manner for the events and  
25 happenings herein referred to and caused injury and damages to Plaintiff(s).

26 5. At all times herein mentioned, each Defendant was the agent and/or employee of  
27 each co-Defendant and was acting within the course and scope of employment, agency and/or

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1 authority at the time that said Defendant(s) committed the herein wrongful conduct. Each  
2 Defendant has ratified the conduct of each co-Defendant.

3 6. At all times mentioned plaintiff was an insured under the automobile policy of  
4 insurance issued and or underwritten by Defendants National General Insurance Company,  
5 and/or Integon National Insurance Company, and Does 1-50. (Herein after referred to as  
6 "Defendant Insurance Company(ies).")

7 7. Pursuant to the terms and conditions of said policy of insurance, should plaintiff  
8 while driving an insured vehicle sustain a Collision loss during the policy period, "Defendant  
9 Insurance Company(ies)" would pay Plaintiff the amount of said collision damage, less  
10 Plaintiff(s) deductible, if any and would cover any liability Plaintiff had to third parties.

11 8. At all times herein mentioned, Plaintiff has paid all premiums and complied with  
12 all conditions required of Plaintiff for purposes of fulfilling Plaintiff's obligations under the  
13 policy of insurance issued by "Defendant Insurance Company(ies)."

14 9. At all times herein mentioned, Plaintiff while driving an insured vehicle,  
15 sustained a collision loss, and other losses, within the policy period. Pursuant to the terms and  
16 conditions of the policy of insurance Plaintiff presented a claim to "Defendant Insurance  
17 Company(ies)" for payment and/or reimbursement of said losses, including collision loss. Upon  
18 presentation of said claim "Defendant Insurance Company(ies)" and each of them refused to  
19 honor their obligations under the herein mentioned insurance policy by refusing to pay for or  
20 reimburse Plaintiff for their loss. That 'Defendant Insurance Company(ies)' have refused to pay  
21 Plaintiff's claim based on what they characterize as a "material misrepresentation," by Plaintiff  
22 for allegedly not disclosing the fact that the named insured lived with family members, relatives  
23 and/or other household members. In refusing to pay for or reimburse Plaintiff for their loss, the  
24 defendants, and each of them also engaged in post claim underwriting.

25 10. At all times the running of any and all statutes of limitations as to the causes of  
26 action herein referred to was and is tolled by the filing of Case No. CIV DS 1914609 in the San  
27 Bernardino County Superior Court. Pursuant to Judicial Council Emergency Rule 9, adopted

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1 April 6, 2020, and later amended, the statute of limitations governing this matter was tolled  
2 between April 6, 2020 and October 1, 2020.

3 **Comes now Plaintiff BETTY J. SCOTT TORRES, and alleges for a First Cause of**  
4 **Action for Bad Faith (Breach of the Implied Covenant of Good Faith and Fair Dealing)**  
5 **against Defendants National General Insurance Company and Integon National Insurance**  
6 **Company and Does 1-50, as follows:**

7 11. Plaintiffs hereby incorporates by reference as though set forth in full herein  
8 Paragraphs 1 through 10, inclusive. On or about May 10, 2017, Plaintiff was in an auto accident  
9 where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly thereafter,  
10 Plaintiff's automobile policy was rescinded for an alleged failure to disclose members of  
11 Plaintiff's household.

12 12. That at all times herein mentioned Plaintiff had in force and effect an automobile  
13 insurance policy with defendants.

14 13. Implied into the terms and conditions of the above referenced insurance policy is  
15 that "Defendant Insurance Company(ies)" would at all times deal with Plaintiff in good faith and  
16 with fair dealing. That at all times, the "Defendant Insurance Company(ies)" have not dealt with  
17 Plaintiff with good faith and fair dealing.

18 14. The above reasoning for refusing to pay Plaintiff's claim is fallacious and merely  
19 a ruse for "Defendant Insurance Company(ies)" refusal and failure to honor the terms and  
20 conditions of the policies of insurance. At all times herein mentioned, there was no material  
21 misrepresentation by Plaintiff and "Defendant Insurance Company(ies)" assertion thereof was  
22 done with the intent and purpose to avoid paying Plaintiff's claims, including their collision  
23 claim.

24 15. That at all times herein mention the policy of insurance issued by and underwritten  
25 by the defendants also contained liability coverage. The defendants and each of them engaged in  
26 post claim underwriting for purposes of rescinding the insurance policy and denying coverage.

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1           16. By engaging in the above referenced conduct, the "Defendant Insurance  
2 Company(ies)" and each of them have breached the implied covenant of good faith and fair  
3 dealing and have acted in bad faith toward Plaintiff.

4           17. As a proximate result of the wrongful conduct of "Defendant Insurance  
5 Company(ies)," and each of them, Plaintiff has sustained economic damages in excess of the  
6 minimum amount required for jurisdiction of the above-entitled court and which will be shown  
7 according to proof at the time of trial.

8           18. The above referenced conduct was done willfully and maliciously by "Defendant  
9 Insurance Company(ies)." Their refusal to pay the insurance policy benefits was done in  
10 conscious disregard of Plaintiff's rights with full knowledge that under the insurance policy as  
11 written, they were obligated to pay for Plaintiff's losses, yet refused to do so, knowing that said  
12 refusal would cause injury to Plaintiff. The "Defendant Insurance Company(ies)" conduct is  
13 despicable in that "Defendant Insurance Company(ies)" knew they had an obligation to pay for  
14 Plaintiff's losses, yet in total derogation of Plaintiff's rights, refused to pay for said losses.

15           **Comes now Plaintiff BETTY J. SCOTT TORRES, and alleges for a Second Cause**  
16 **of Action for Unfair Business Practice against Defendants National General Insurance**  
17 **Company, Integon National Insurance Company, and Does 1-50, as follows:**

18           19. Plaintiff hereby incorporates by reference as though set forth in full herein,  
19 Paragraphs 1 through 10, inclusive. On or about May 10, 2017, Plaintiff was in an auto accident  
20 where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly thereafter,  
21 Plaintiff's automobile policy was rescinded for an alleged failure to disclose members of  
22 Plaintiff's household.

23           20. That at all times herein mentioned Plaintiff had in force and effect an automobile  
24 insurance policy with defendants.

25           21. At all times herein mentioned, "Defendant Insurance Company(ies)" have  
26 engaged in unfair, unlawful and/or fraudulent business practices in violation of Business and  
27 Professions Code, sections 17200 et seq. The "Defendant Insurance Company(ies)" issue and/or  
28 underwrite policies of automobile insurance which typically have minimum policy limits. Their

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1 insureds are typically high risk, unsophisticated consumers. The policies of insurance maintain  
2 exclusions and definitions not found in the typical automobile policy. At all times herein  
3 mentioned the "Defendant Insurance Company(ies)" engaged in the business practice whereby  
4 when dealing with first party collision claims, the "Defendant Insurance Company(ies)" in  
5 referencing their "Reduced Coverage Disclosure Summary," the application for insurance,  
6 and/or certain provisions in the insurance policy itself, deny coverage based on immaterial  
7 provisions of said Disclosure, application, and/or insurance policy. In conjunction therewith,  
8 "Defendant Insurance Company(ies)" unilaterally send a notice of rescission and return the  
9 premiums paid. Specifically, the "Defendant Insurance Company(ies)" and each of them issue  
10 and/or underwrite policies of automobile insurance providing Collision coverage. By the terms  
11 of the policies, the collision coverage is applicable only when an insured vehicle is being driven  
12 by the named insured. Following an accident in which the insured's(s') vehicle(s) is(are) being  
13 driven by the named insured(s), the "Defendant Insurance Company(ies)" deny coverage based  
14 on the insured's(s') failure to inform defendants that the named insured(s) lived with family  
15 members, relatives, and/or other household members. Said rationale for denying coverage is  
16 irrelevant and immaterial in that the collision coverage underwritten and/or issued is present only  
17 when the insured vehicle(s) is being driven by the named insured(s) (and not when being driven  
18 by a family member, relative, or other permissive user.). As a result of this fraudulent, unlawful  
19 or unfair business practice, the "Defendant Insurance Company(ies)" save millions of dollars by  
20 not paying covered claims.

21 The "Defendant Insurance Company(ies)" have engaged in the pattern and practice of  
22 rescinding insurance policies of otherwise covered claims based on the immaterial provisions of  
23 the application for insurance and/or the insurance policy. The policy and practice of "Defendant  
24 Insurance Company(ies)" is to cover collision damage under very restrictive policy provisions in  
25 which said collision damage is covered only if the collision involves a covered vehicle driven by  
26 a named insured. If the covered vehicle is not involved in an accident, the "Defendant Insurance  
27 Company(ies)" profit from receipt of the premium. If the covered vehicle is involved in an  
28 accident when being driven by a named insured the "Defendant Insurance Company(ies)"

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1 engage in post-accident underwriting by rescinding the policy on an immaterial representation in  
2 the application or an immaterial policy provision, saving themselves millions of dollars by not  
3 reimbursing their insured for a covered claim. The "Defendant Insurance  
4 Company(ies)" unlawfully and unfairly take advantage of their insureds all to the "Defendant  
5 Insurance Company(ies)" financial benefit.

6 The conduct as herein alleged is unfair within the meaning of Business and Professions  
7 Code sections 17200 et seq. By not covering collision damage pursuant to the terms of the  
8 insurance policy, and rescinding the policy, the plaintiffs have suffered substantial damages in  
9 that plaintiffs were not reimbursed for the collision damages to their vehicles which in almost all  
10 cases are in the thousands of dollars per vehicle. The injury to plaintiffs by "Defendant  
11 Insurance Company(ies)"s wrongful conduct is not outweighed by any countervailing benefits to  
12 consumers. There is no benefit to the consuming public for members of the public to pay  
13 insurance premiums to "Defendant Insurance Company(ies)" for collision damage for their  
14 vehicles, and then after making a claim, have the "Defendant Insurance Company(ies)" rescind  
15 the insurance policy based on an immaterial term in the policy or application. The net result of  
16 said conduct is that "Defendant Insurance Company(ies)" unfairly avoid their contractual  
17 responsibilities under the insurance policies all to the benefit of the "Defendant Insurance  
18 Company(ies)" and all to the detriment of their policy holders, the consuming public. Further,  
19 the injury to plaintiffs could not be reasonably avoided and was not foreseeable. At all times,  
20 most of the policies of insurance underwritten and/or issued by "Defendant Insurance  
21 Company(ies)" were written with the minimum required limits of 15/30/5. The insureds are high  
22 risk and need to pay premiums on a monthly basis. Few insurance companies are willing to  
23 underwrite or issue policies to individuals in plaintiffs' position. As a result, plaintiffs have few  
24 other choices in the insurance market to obtain legally mandated insurance. Additionally, the  
25 injury to plaintiffs as a result of "Defendant Insurance Company(ies)" wrongful conduct in  
26 rescinding the policies was not foreseeable. Here, plaintiffs and each of them purchased  
27 insurance policies covering collision damage. The policies were written by "Defendant  
28 Insurance Company(ies)" and understood by plaintiffs' to cover collision damage to the covered

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1 vehicle only when being driven by the named insured. In each instance alleged herein the  
2 covered vehicles were being driven by the named insureds; as such it was unforeseeable to  
3 plaintiffs that they would not be reimbursed for damage to their respective vehicles. After the  
4 collision however, defendants inquired of plaintiffs whether they respectively resided with a  
5 relative or other person. Based on this after the fact investigation the "Defendant Insurance  
6 Company(ies)" in each instance alleged herein, unforeseeably rescinded the contract based on an  
7 immaterial term irrelevant to the terms of coverage and contrary to the reasonable expectations  
8 of their insureds.

9         Additionally, said business practice is unlawful and contrary to the law as set forth in  
10 Insurance Code, section 359. The "Defendant Insurance Company(ies)" and each of them  
11 unlawfully rescind the insurance contracts based on alleged misrepresentations or concealment  
12 by the insureds, which are not material as required by Insurance Code section 359. The  
13 fallacious grounds used by "Defendant Insurance Company(ies)" to rescind said policies is  
14 wholly irrelevant and immaterial to the underwriting and or issuance of collision coverage, all in  
15 derogation of the express provisions of Insurance Code section 359.

16         Said business practice is fraudulent in that the "Defendant Insurance Company(ies)"  
17 represent to their insureds in both the application and in the insurance policy that the insured will  
18 be covered for collision damage in the event of an accident wherein the covered vehicle is being  
19 driven by the named insured. In reliance on these representations the insureds procure insurance  
20 from "Defendant Insurance Company(ies)" and continue to pay monthly premiums to  
21 "Defendant Insurance Company(ies)" on their insurance policies. The representations by the  
22 "Defendant Insurance Company(ies)" are in fact false; following an accident in which the  
23 covered vehicle is being driven by the named insured, the "Defendant Insurance Company(ies)"  
24 refuse to cover the loss and rescind the policy based on an immaterial provision or disclosure in  
25 the application and insurance policy. Had plaintiffs known of the true facts, plaintiffs would not  
26 have procured collision coverage through "Defendant Insurance Company(ies)"

27         The Defendant Insurance Companies further engaged in fraudulent, deceptive and  
28 unlawful conduct in knowingly allowing their insurance brokers and agents to fail to

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1 communicate to Defendant Insurance Companies the fact that their insureds during the policy  
2 period, had changed addresses and/or moved in with other individuals. In encouraging and/or  
3 allowing said business practice to occur, the Defendant Insurance Companies are therefore able  
4 to deny coverage on an immaterial representation (or alleged failure to represent) relative to  
5 coverage. In knowingly allowing said insurance brokers and agents to engage in said conduct,  
6 said Defendant Insurance Companies must be deemed to have imputed knowledge as to the facts  
7 communicated by their insured(s) to said brokers and agents.

8 That the policies of insurance issued by the defendants and each of them, also contained  
9 liability insurance. The defendants and each of them engaged in unfair business practices by  
10 rescinding said policy of insurance and denying coverage, by engaging in post claim  
11 underwriting.

12 22. In denying Plaintiff's(s) collision claim(s), the "Defendant Insurance  
13 Company(ies)" and each of them relied on immaterial provisions of the Disclosure form, the  
14 application and/or the insurance policy as grounds for not covering Plaintiff's(s) collision  
15 claim(s). "Defendant Insurance Company(ies)"s unilaterally attempted to rescind the contract by  
16 returning the premiums paid by Plaintiff(s). As a result of this fraudulent and unfair business  
17 practice, plaintiffs have been deprived of the benefits which were due and owing under the terms  
18 and conditions of the respective insurance policies.

19 23. At all times herein mentioned the "Defendant Insurance Company(ies)" were  
20 unjustly enriched at the expense of Plaintiff(s), by retaining money due and owing Plaintiff(s).

21 24. As a result of "Defendant Insurance Company(ies)" retaining the money (the  
22 amount of collision damage due and owing Plaintiff, Plaintiff is entitled to restitution and/or  
23 restitutionary disgorgement of the amount to reimburse Plaintiff for her collision loss.

24 **Comes now Plaintiff BETTY J. SCOTT TORRES, and alleges for a Third Cause of**  
25 **Action for Breach of Contract against Defendants National General Insurance Company,**  
26 **Integon National Insurance Company and Does 1-50, as follows:**

27 25. Plaintiff hereby incorporates by reference as though set forth in full herein,  
28 Paragraphs 1 through 10, inclusive. On or about May 10, 2017, Plaintiff was in an auto accident

1 where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly thereafter,  
2 Plaintiff's automobile policy was rescinded for an alleged failure to disclose members of  
3 Plaintiff's household.

4 26. That at all times herein mentioned Plaintiff had in force and effect an automobile  
5 insurance policy with defendants.

6 27. The "Defendant Insurance Company(ies)" breached the herein alleged insurance  
7 contract by not paying to Plaintiff the benefits due and owing under said insurance policy.

8 28. As special damages flowing from "Defendant Insurance Company(ies)" breach of  
9 contract, Plaintiff has sustained economic damages for the collision damage sustained by and the  
10 value of his or her car. Plaintiff also sustained other economic damages in liability to third  
11 parties. Plaintiff has sustained further economic damages in that Plaintiff's attorney is  
12 prosecuting the present matter. Plaintiff has and will continue to incur attorney's fees in the  
13 prosecution of this cause of action.

14 29. As a consequential result of the wrongful conduct of "Defendant Insurance  
15 Company(ies)", and each of them, Plaintiff has and or will sustain damages in an amount  
16 currently unknown to Plaintiff, but which will be shown according to proof at the time of trial.

17 **Comes now Plaintiff MARIA CHAVEZ, and alleges for a First Cause of Action for**  
18 **Bad Faith (Breach of the Implied Covenant of Good Faith and Fair Dealing) against**  
19 **Defendants National General Insurance Company and Integon National Insurance**  
20 **Company and Does 1-50, as follows:**

21 30. Plaintiffs hereby incorporates by reference as though set forth in full herein  
22 Paragraphs 1 through 10, inclusive. On or about July 8, 2017, Plaintiff was in an auto accident  
23 where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly thereafter,  
24 Plaintiff's automobile policy was rescinded for an alleged failure to disclose members of  
25 Plaintiff's household.

26 31. That at all times herein mentioned Plaintiff had in force and effect an automobile  
27 insurance policy with defendants.

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1           32.     Implied into the terms and conditions of the above referenced insurance policy is  
2 that "Defendant Insurance Company(ies)" would at all times deal with Plaintiff in good faith and  
3 with fair dealing. That at all times, the "Defendant Insurance Company(ies)" have not dealt with  
4 Plaintiff with good faith and fair dealing.

5           33.     The above reasoning for refusing to pay Plaintiff's claim is fallacious and merely  
6 a ruse for "Defendant Insurance Company(ies)" refusal and failure to honor the terms and  
7 conditions of the policies of insurance. At all times herein mentioned, there was no material  
8 misrepresentation by Plaintiff and "Defendant Insurance Company(ies)" assertion thereof was  
9 done with the intent and purpose to avoid paying Plaintiff's claims, including their collision  
10 claim.

11           34.     That at all times herein mention the policy of insurance issued by and  
12 underwritten by the defendants also contained liability coverage. The defendants and each of  
13 them engaged in post claim underwriting for purposes of rescinding the insurance policy and  
14 denying coverage

15           35.     By engaging in the above referenced conduct, the "Defendant Insurance  
16 Company(ies)" and each of them have breached the implied covenant of good faith and fair  
17 dealing and have acted in bad faith toward Plaintiff.

18           36.     As a proximate result of the wrongful conduct of "Defendant Insurance  
19 Company(ies)," and each of them, Plaintiff has sustained economic damages in excess of the  
20 minimum amount required for jurisdiction of the above-entitled court and which will be shown  
21 according to proof at the time of trial.

22           37.     The above referenced conduct was done willfully and maliciously by "Defendant  
23 Insurance Company(ies)." Their refusal to pay the insurance policy benefits was done in  
24 conscious disregard of Plaintiff's rights with full knowledge that under the insurance policy as  
25 written, they were obligated to pay for Plaintiff's losses, yet refused to do so, knowing that said  
26 refusal would cause injury to Plaintiff. The "Defendant Insurance Company(ies)" conduct is  
27 despicable in that "Defendant Insurance Company(ies)" knew they had an obligation to pay for  
28 Plaintiff's losses, yet in total derogation of Plaintiff's rights, refused to pay for said losses.

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1 Comes now Plaintiff MARIA CHAVEZ, and alleges for a Second Cause of Action  
2 for Unfair Business Practice against Defendants National General Insurance Company,  
3 Integon National Insurance Company, and Does 1-50, as follows:

4 38. Plaintiff hereby incorporates by reference as though set forth in full herein,  
5 Paragraphs 1 through 10, inclusive. On or about July 8, 2017, Plaintiff was in an auto accident  
6 where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly thereafter,  
7 Plaintiff's automobile policy was rescinded for an alleged failure to disclose members of  
8 Plaintiff's household.

9 39. That at all times herein mentioned Plaintiff had in force and effect an automobile  
10 insurance policy with defendants.

11 40. At all times herein mentioned, "Defendant Insurance Company(ies)" have  
12 engaged in unfair, unlawful and/or fraudulent business practices in violation of Business and  
13 Professions Code, sections 17200 et seq. The "Defendant Insurance Company(ies)" issue and/or  
14 underwrite policies of automobile insurance which typically have minimum policy limits. Their  
15 insureds are typically high risk, unsophisticated consumers. The policies of insurance maintain  
16 exclusions and definitions not found in the typical automobile policy. At all times herein  
17 mentioned the "Defendant Insurance Company(ies)" engaged in the business practice whereby  
18 when dealing with first party collision claims, the "Defendant Insurance Company(ies)" in  
19 referencing their "Reduced Coverage Disclosure Summary," the application for insurance,  
20 and/or certain provisions in the insurance policy itself, deny coverage based on immaterial  
21 provisions of said Disclosure, application, and/or insurance policy. In conjunction therewith,  
22 "Defendant Insurance Company(ies)" unilaterally send a notice of rescission and return the  
23 premiums paid. Specifically, the "Defendant Insurance Company(ies)" and each of them issue  
24 and/or underwrite policies of automobile insurance providing Collision coverage. By the terms  
25 of the policies, the collision coverage is applicable only when an insured vehicle is being driven  
26 by the named insured. Following an accident in which the insured's(s) vehicle(s) is(are) being  
27 driven by the named insured(s), the "Defendant Insurance Company(ies)" deny coverage based  
28 on the insured's(s) failure to inform defendants that the named insured(s) lived with family

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1 members, relatives, and/or other household members. Said rationale for denying coverage is  
2 irrelevant and immaterial in that the collision coverage underwritten and/or issued is present only  
3 when the insured vehicle(s) is being driven by the named insured(s) (and not when being driven  
4 by a family member, relative, or other permissive user.). As a result of this fraudulent, unlawful  
5 or unfair business practice, the "Defendant Insurance Company(ies)" save millions of dollars by  
6 not paying covered claims.

7 The "Defendant Insurance Company(ies)" have engaged in the pattern and practice of  
8 rescinding insurance policies of otherwise covered claims based on the immaterial provisions of  
9 the application for insurance and/or the insurance policy. The policy and practice of "Defendant  
10 Insurance Company(ies)" is to cover collision damage under very restrictive policy provisions in  
11 which said collision damage is covered only if the collision involves a covered vehicle driven by  
12 a named insured. If the covered vehicle is not involved in an accident, the "Defendant Insurance  
13 Company(ies)" profit from receipt of the premium. If the covered vehicle is involved in an  
14 accident when being driven by a named insured the "Defendant Insurance Company(ies)"  
15 engage in post-accident underwriting by rescinding the policy on an immaterial representation in  
16 the application or an immaterial policy provision, saving themselves millions of dollars by not  
17 reimbursing their insured for a covered claim. The "Defendant Insurance  
18 Company(ies)" unlawfully and unfairly take advantage of their insureds all to the "Defendant  
19 Insurance Company(ies)" financial benefit.

20 The conduct as herein alleged is unfair within the meaning of Business and Professions  
21 Code sections 17200 et seq. By not covering collision damage pursuant to the terms of the  
22 insurance policy, and rescinding the policy, the plaintiffs have suffered substantial damages in  
23 that plaintiffs were not reimbursed for the collision damages to their vehicles which in almost all  
24 cases are in the thousands of dollars per vehicle. The injury to plaintiffs by "Defendant  
25 Insurance Company(ies)"s wrongful conduct is not outweighed by any countervailing benefits to  
26 consumers. There is no benefit to the consuming public for members of the public to pay  
27 insurance premiums to "Defendant Insurance Company(ies)" for collision damage for their  
28 vehicles, and then after making a claim, have the "Defendant Insurance Company(ies)" rescind

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1 members, relatives, and/or other household members. Said rationale for denying coverage is  
2 irrelevant and immaterial in that the collision coverage underwritten and/or issued is present only  
3 when the insured vehicle(s) is being driven by the named insured(s) (and not when being driven  
4 by a family member, relative, or other permissive user.). As a result of this fraudulent, unlawful  
5 or unfair business practice, the "Defendant Insurance Company(ies)" save millions of dollars by  
6 not paying covered claims.

7 The "Defendant Insurance Company(ies)" have engaged in the pattern and practice of  
8 rescinding insurance policies of otherwise covered claims based on the immaterial provisions of  
9 the application for insurance and/or the insurance policy. The policy and practice of "Defendant  
10 Insurance Company(ies)" is to cover collision damage under very restrictive policy provisions in  
11 which said collision damage is covered only if the collision involves a covered vehicle driven by  
12 a named insured. If the covered vehicle is not involved in an accident, the "Defendant Insurance  
13 Company(ies)" profit from receipt of the premium. If the covered vehicle is involved in an  
14 accident when being driven by a named insured the "Defendant Insurance Company(ies)"  
15 engage in post-accident underwriting by rescinding the policy on an immaterial representation in  
16 the application or an immaterial policy provision, saving themselves millions of dollars by not  
17 reimbursing their insured for a covered claim. The "Defendant Insurance  
18 Company(ies)" unlawfully and unfairly take advantage of their insureds all to the "Defendant  
19 Insurance Company(ies)" financial benefit.

20 The conduct as herein alleged is unfair within the meaning of Business and Professions  
21 Code sections 17200 et seq. By not covering collision damage pursuant to the terms of the  
22 insurance policy, and rescinding the policy, the plaintiffs have suffered substantial damages in  
23 that plaintiffs were not reimbursed for the collision damages to their vehicles which in almost all  
24 cases are in the thousands of dollars per vehicle. The injury to plaintiffs by "Defendant  
25 Insurance Company(ies)"s wrongful conduct is not outweighed by any countervailing benefits to  
26 consumers. There is no benefit to the consuming public for members of the public to pay  
27 insurance premiums to "Defendant Insurance Company(ies)" for collision damage for their  
28 vehicles, and then after making a claim, have the "Defendant Insurance Company(ies)" rescind

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1 the insurance policy based on an immaterial term in the policy or application. The net result of  
2 said conduct is that "Defendant Insurance Company(ies)" unfairly avoid their contractual  
3 responsibilities under the insurance policies all to the benefit of the "Defendant Insurance  
4 Company(ies)" and all to the detriment of their policy holders, the consuming public. Further,  
5 the injury to plaintiffs could not be reasonably avoided and was not foreseeable. At all times,  
6 most of the policies of insurance underwritten and/or issued by "Defendant Insurance  
7 Company(ies)" were written with the minimum required limits of 15/30/5. The insureds are high  
8 risk and need to pay premiums on a monthly basis. Few insurance companies are willing to  
9 underwrite or issue policies to individuals in plaintiffs' position. As a result, plaintiffs have few  
10 other choices in the insurance market to obtain legally mandated insurance. Additionally, the  
11 injury to plaintiffs as a result of "Defendant Insurance Company(ies)" wrongful conduct in  
12 rescinding the policies was not foreseeable. Here, plaintiffs and each of them purchased  
13 insurance policies covering collision damage. The policies were written by "Defendant  
14 Insurance Company(ies)" and understood by plaintiffs' to cover collision damage to the covered  
15 vehicle only when being driven by the named insured. In each instance alleged herein the  
16 covered vehicles were being driven by the named insureds; as such it was unforeseeable to  
17 plaintiffs that they would not be reimbursed for damage to their respective vehicles. After the  
18 collision however, defendants inquired of plaintiffs whether they respectively resided with a  
19 relative or other person. Based on this after the fact investigation the "Defendant Insurance  
20 Company(ies)" in each instance alleged herein, unforeseeably rescinded the contract based on an  
21 immaterial term irrelevant to the terms of coverage and contrary to the reasonable expectations  
22 of their insureds.

23 Additionally, said business practice is unlawful and contrary to the law as set forth in  
24 Insurance Code, section 359. The "Defendant Insurance Company(ies)" and each of them  
25 unlawfully rescind the insurance contracts based on alleged misrepresentations or concealment  
26 by the insureds, which are not material as required by Insurance Code section 359. The  
27 fallacious grounds used by "Defendant Insurance Company(ies)" to rescind said policies is  
28

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1 wholly irrelevant and immaterial to the underwriting and or issuance of collision coverage, all in  
2 derogation of the express provisions of Insurance Code section 359.

3 Said business practice is fraudulent in that the "Defendant Insurance Company(ies)"  
4 represent to their insureds in both the application and in the insurance policy that the insured will  
5 be covered for collision damage in the event of an accident wherein the covered vehicle is being  
6 driven by the named insured. In reliance on these representations the insureds procure insurance  
7 from "Defendant Insurance Company(ies)" and continue to pay monthly premiums to  
8 "Defendant Insurance Company(ies)" on their insurance policies. The representations by the  
9 "Defendant Insurance Company(ies)" are in fact false; following an accident in which the  
10 covered vehicle is being driven by the named insured, the "Defendant Insurance Company(ies)"  
11 refuse to cover the loss and rescind the policy based on an immaterial provision or disclosure in  
12 the application and insurance policy. Had plaintiffs known of the true facts, plaintiffs would not  
13 have procured collision coverage through "Defendant Insurance Company(ies)"

14 The Defendant Insurance Companies further engaged in fraudulent, deceptive and  
15 unlawful conduct in knowingly allowing their insurance brokers and agents to fail to  
16 communicate to Defendant Insurance Companies the fact that their insureds during the policy  
17 period, had changed addresses and/or moved in with other individuals. In encouraging and/or  
18 allowing said business practice to occur, the Defendant Insurance Companies are therefore able  
19 to deny coverage on an immaterial representation (or alleged failure to represent) relative to  
20 coverage. In knowingly allowing said insurance brokers and agents to engage in said conduct,  
21 said Defendant Insurance Companies must be deemed to have imputed knowledge as to the facts  
22 communicated by their insured(s) to said brokers and agents.

23 That the policies of insurance issued by the defendants and each of them, also contained  
24 liability insurance. The defendants and each of them engaged in unfair business practices by  
25 rescinding said policy of insurance and denying coverage, by engaging in post claim  
26 underwriting.

27 41. In denying Plaintiff's(s) collision claim(s), the "Defendant Insurance  
28 Company(ies)" and each of them relied on immaterial provisions of the Disclosure form, the

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1 application and/or the insurance policy as grounds for not covering Plaintiff(s)' collision  
2 claim(s). "Defendant Insurance Company(ies)"s unilaterally attempted to rescind the contract by  
3 returning the premiums paid by Plaintiff(s). As a result of this fraudulent and unfair business  
4 practice, plaintiffs have been deprived of the benefits which were due and owing under the terms  
5 and conditions of the respective insurance policies.

6 42. At all times herein mentioned the "Defendant Insurance Company(ies)" were  
7 unjustly enriched at the expense of Plaintiff(s), by retaining money due and owing Plaintiff(s).

8 43. As a result of "Defendant Insurance Company(ies)" retaining the money (the  
9 amount of collision damage due and owing Plaintiff, Plaintiff is entitled to restitution and/or  
10 restitutionary disgorgement of the amount to reimburse Plaintiff for her collision loss.

11 **Comes now Plaintiff MARIA CHAVEZ, and alleges for a Third Cause of Action for**  
12 **Breach of Contract against Defendants National General Insurance Company, Integon**  
13 **National Insurance Company and Does 1-50, as follows:**

14 44. Plaintiff hereby incorporates by reference as though set forth in full herein,  
15 Paragraphs 1 through 10, inclusive. On or about July 8, 2017, Plaintiff was in an auto accident  
16 where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly thereafter,  
17 Plaintiff's automobile policy was rescinded for an alleged failure to disclose members of  
18 Plaintiff's household.

19 45. That at all times herein mentioned Plaintiff had in force and effect an automobile  
20 insurance policy with defendants.

21 46. The "Defendant Insurance Company(ies)" breached the herein alleged insurance  
22 contract by not paying to Plaintiff the benefits due and owing under said insurance policy.

23 47. As special damages flowing from "Defendant Insurance Company(ies)" breach of  
24 contract, Plaintiff has sustained economic damages for the collision damage sustained by and the  
25 value of his or her car. Plaintiff also sustained other economic damages in liability to third  
26 parties. Plaintiff has sustained further economic damages in that Plaintiff's attorney is  
27 prosecuting the present matter. Plaintiff has and will continue to incur attorney's fees in the  
28 prosecution of this cause of action.

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1 48. As a consequential result of the wrongful conduct of "Defendant Insurance  
2 Company(ies)", and each of them, Plaintiff has and or will sustain damages in an amount  
3 currently unknown to Plaintiff, but which will be shown according to proof at the time of trial.

4 Comes now Plaintiff TYLER THOMPSON, and alleges for a First Cause of Action  
5 for Bad Faith (Breach of the Implied Covenant of Good Faith and Fair Dealing) against  
6 Defendants National General Insurance Company and Integon National Insurance  
7 Company and Does 1-50, as follows:

8 49. Plaintiffs hereby incorporates by reference as though set forth in full herein  
9 Paragraphs 1 through 10, inclusive. On or about September 5, 2017, Plaintiff was in an auto  
10 accident where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly  
11 thereafter, Plaintiff's automobile policy was rescinded for an alleged failure to disclose members  
12 of Plaintiff's household.

13 50. That at all times herein mentioned Plaintiff had in force and effect an automobile  
14 insurance policy with defendants.

15 51. Implied into the terms and conditions of the above referenced insurance policy is  
16 that "Defendant Insurance Company(ies)" would at all times deal with Plaintiff in good faith and  
17 with fair dealing. That at all times, the "Defendant Insurance Company(ies)" have not dealt with  
18 Plaintiff with good faith and fair dealing.

19 52. The above reasoning for refusing to pay Plaintiff's claim is fallacious and merely  
20 a ruse for "Defendant Insurance Company(ies)" refusal and failure to honor the terms and  
21 conditions of the policies of insurance. At all times herein mentioned, there was no material  
22 misrepresentation by Plaintiff and "Defendant Insurance Company(ies)" assertion thereof was  
23 done with the intent and purpose to avoid paying Plaintiff's claims, including their collision  
24 claim.

25 53. That at all times herein mention the policy of insurance issued by and  
26 underwritten by the defendants also contained liability coverage. The defendants and each of  
27 them engaged in post claim underwriting for purposes of rescinding the insurance policy and  
28 denying coverage



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1 54. By engaging in the above referenced conduct, the "Defendant Insurance  
2 Company(ies)" and each of them have breached the implied covenant of good faith and fair  
3 dealing and have acted in bad faith toward Plaintiff.

4 55. As a proximate result of the wrongful conduct of "Defendant Insurance  
5 Company(ies)," and each of them, Plaintiff has sustained economic damages in excess of the  
6 minimum amount required for jurisdiction of the above-entitled court and which will be shown  
7 according to proof at the time of trial.

8 56. The above referenced conduct was done willfully and maliciously by "Defendant  
9 Insurance Company(ies)." Their refusal to pay the insurance policy benefits was done in  
10 conscious disregard of Plaintiff's rights with full knowledge that under the insurance policy as  
11 written, they were obligated to pay for Plaintiff's losses, yet refused to do so, knowing that said  
12 refusal would cause injury to Plaintiff. The "Defendant Insurance Company(ies)" conduct is  
13 despicable in that "Defendant Insurance Company(ies)" knew they had an obligation to pay for  
14 Plaintiff's losses, yet in total derogation of Plaintiff's rights, refused to pay for said losses.

15 **Comes now Plaintiff TYLER THOMPSON, and alleges for a Second Cause of**  
16 **Action for Unfair Business Practice against Defendants National General Insurance**  
17 **Company, Integon National Insurance Company, and Does 1-50, as follows:**

18 57. Plaintiff hereby incorporates by reference as though set forth in full herein,  
19 Paragraphs 1 through 10, inclusive. On or about September 5, 2017, Plaintiff was in an auto  
20 accident where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly  
21 thereafter, Plaintiff's automobile policy was rescinded for an alleged failure to disclose members  
22 of Plaintiff's household.

23 58. That at all times herein mentioned Plaintiff had in force and effect an automobile  
24 insurance policy with defendants.

25 59. At all times herein mentioned, "Defendant Insurance Company(ies)" have  
26 engaged in unfair, unlawful and/or fraudulent business practices in violation of Business and  
27 Professions Code, sections 17200 et seq. The "Defendant Insurance Company(ies)" issue and/or  
28 underwrite policies of automobile insurance which typically have minimum policy limits. Their

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1 insureds are typically high risk, unsophisticated consumers. The policies of insurance maintain  
2 exclusions and definitions not found in the typical automobile policy. At all times herein  
3 mentioned the "Defendant Insurance Company(ies)" engaged in the business practice whereby  
4 when dealing with first party collision claims, the "Defendant Insurance Company(ies)" in  
5 referencing their "Reduced Coverage Disclosure Summary," the application for insurance,  
6 and/or certain provisions in the insurance policy itself, deny coverage based on immaterial  
7 provisions of said Disclosure, application, and/or insurance policy. In conjunction therewith,  
8 "Defendant Insurance Company(ies)" unilaterally send a notice of rescission and return the  
9 premiums paid. Specifically, the "Defendant Insurance Company(ies)" and each of them issue  
10 and/or underwrite policies of automobile insurance providing Collision coverage. By the terms  
11 of the policies, the collision coverage is applicable only when an insured vehicle is being driven  
12 by the named insured. Following an accident in which the insured's(s) vehicle(s) is(are) being  
13 driven by the named insured(s), the "Defendant Insurance Company(ies)" deny coverage based  
14 on the insured's(s) failure to inform defendants that the named insured(s) lived with family  
15 members, relatives, and/or other household members. Said rationale for denying coverage is  
16 irrelevant and immaterial in that the collision coverage underwritten and/or issued is present only  
17 when the insured vehicle(s) is being driven by the named insured(s) (and not when being driven  
18 by a family member, relative, or other permissive user.). As a result of this fraudulent, unlawful  
19 or unfair business practice, the "Defendant Insurance Company(ies)" save millions of dollars by  
20 not paying covered claims.

21 The "Defendant Insurance Company(ies)" have engaged in the pattern and practice of  
22 rescinding insurance policies of otherwise covered claims based on the immaterial provisions of  
23 the application for insurance and/or the insurance policy. The policy and practice of "Defendant  
24 Insurance Company(ies)" is to cover collision damage under very restrictive policy provisions in  
25 which said collision damage is covered only if the collision involves a covered vehicle driven by  
26 a named insured. If the covered vehicle is not involved in an accident, the "Defendant Insurance  
27 Company(ies)" profit from receipt of the premium. If the covered vehicle is involved in an  
28 accident when being driven by a named insured the "Defendant Insurance Company(ies)"

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1 engage in post-accident underwriting by rescinding the policy on an immaterial representation in  
2 the application or an immaterial policy provision, saving themselves millions of dollars by not  
3 reimbursing their insured for a covered claim. The "Defendant Insurance  
4 Company(ies)" unlawfully and unfairly take advantage of their insureds all to the "Defendant  
5 Insurance Company(ies)" financial benefit.

6 The conduct as herein alleged is unfair within the meaning of Business and Professions  
7 Code sections 17200 et seq. By not covering collision damage pursuant to the terms of the  
8 insurance policy, and rescinding the policy, the plaintiffs have suffered substantial damages in  
9 that plaintiffs were not reimbursed for the collision damages to their vehicles which in almost all  
10 cases are in the thousands of dollars per vehicle. The injury to plaintiffs by "Defendant  
11 Insurance Company(ies)"s wrongful conduct is not outweighed by any countervailing benefits to  
12 consumers. There is no benefit to the consuming public for members of the public to pay  
13 insurance premiums to "Defendant Insurance Company(ies)" for collision damage for their  
14 vehicles, and then after making a claim, have the "Defendant Insurance Company(ies)" rescind  
15 the insurance policy based on an immaterial term in the policy or application. The net result of  
16 said conduct is that "Defendant Insurance Company(ies)" unfairly avoid their contractual  
17 responsibilities under the insurance policies all to the benefit of the "Defendant Insurance  
18 Company(ies)" and all to the detriment of their policy holders, the consuming public. Further,  
19 the injury to plaintiffs could not be reasonably avoided and was not foreseeable. At all times,  
20 most of the policies of insurance underwritten and/or issued by "Defendant Insurance  
21 Company(ies)" were written with the minimum required limits of 15/30/5. The insureds are high  
22 risk and need to pay premiums on a monthly basis. Few insurance companies are willing to  
23 underwrite or issue policies to individuals in plaintiffs' position. As a result, plaintiffs have few  
24 other choices in the insurance market to obtain legally mandated insurance. Additionally, the  
25 injury to plaintiffs as a result of "Defendant Insurance Company(ies)" wrongful conduct in  
26 rescinding the policies was not foreseeable. Here, plaintiffs and each of them purchased  
27 insurance policies covering collision damage. The policies were written by "Defendant  
28 Insurance Company(ies)" and understood by plaintiffs' to cover collision damage to the covered

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1 vehicle only when being driven by the named insured. In each instance alleged herein the  
2 covered vehicles were being driven by the named insureds; as such it was unforeseeable to  
3 plaintiffs that they would not be reimbursed for damage to their respective vehicles. After the  
4 collision however, defendants inquired of plaintiffs whether they respectively resided with a  
5 relative or other person. Based on this after the fact investigation the "Defendant Insurance  
6 Company(ies)" in each instance alleged herein, unforeseeably rescinded the contract based on an  
7 immaterial term irrelevant to the terms of coverage and contrary to the reasonable expectations  
8 of their insureds.

9       Additionally, said business practice is unlawful and contrary to the law as set forth in  
10 Insurance Code, section 359. The "Defendant Insurance Company(ies)" and each of them  
11 unlawfully rescind the insurance contracts based on alleged misrepresentations or concealment  
12 by the insureds, which are not material as required by Insurance Code section 359. The  
13 fallacious grounds used by "Defendant Insurance Company(ies)" to rescind said policies is  
14 wholly irrelevant and immaterial to the underwriting and or issuance of collision coverage, all in  
15 derogation of the express provisions of Insurance Code section 359.

16       Said business practice is fraudulent in that the "Defendant Insurance Company(ies)"  
17 represent to their insureds in both the application and in the insurance policy that the insured will  
18 be covered for collision damage in the event of an accident wherein the covered vehicle is being  
19 driven by the named insured. In reliance on these representations the insureds procure insurance  
20 from "Defendant Insurance Company(ies)" and continue to pay monthly premiums to  
21 "Defendant Insurance Company(ies)" on their insurance policies. The representations by the  
22 "Defendant Insurance Company(ies)" are in fact false; following an accident in which the  
23 covered vehicle is being driven by the named insured, the "Defendant Insurance Company(ies)"  
24 refuse to cover the loss and rescind the policy based on an immaterial provision or disclosure in  
25 the application and insurance policy. Had plaintiffs known of the true facts, plaintiffs would not  
26 have procured collision coverage through "Defendant Insurance Company(ies)"

27       The Defendant Insurance Companies further engaged in fraudulent, deceptive and  
28 unlawful conduct in knowingly allowing their insurance brokers and agents to fail to

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1 communicate to Defendant Insurance Companies the fact that their insureds during the policy  
 2 period, had changed addresses and/or moved in with other individuals. In encouraging and/or  
 3 allowing said business practice to occur, the Defendant Insurance Companies are therefore able  
 4 to deny coverage on an immaterial representation (or alleged failure to represent) relative to  
 5 coverage. In knowingly allowing said insurance brokers and agents to engage in said conduct,  
 6 said Defendant Insurance Companies must be deemed to have imputed knowledge as to the facts  
 7 communicated by their insured(s) to said brokers and agents.

8 That the policies of insurance issued by the defendants and each of them, also contained  
 9 liability insurance. The defendants and each of them engaged in unfair business practices by  
 10 rescinding said policy of insurance and denying coverage, by engaging in post claim  
 11 underwriting.

12 60. In denying Plaintiff's(s) collision claim(s), the "Defendant Insurance  
 13 Company(ies)" and each of them relied on immaterial provisions of the Disclosure form, the  
 14 application and/or the insurance policy as grounds for not covering Plaintiff's(s) collision  
 15 claim(s). "Defendant Insurance Company(ies)"s unilaterally attempted to rescind the contract by  
 16 returning the premiums paid by Plaintiff(s). As a result of this fraudulent and unfair business  
 17 practice, plaintiffs have been deprived of the benefits which were due and owing under the terms  
 18 and conditions of the respective insurance policies.

19 61. At all times herein mentioned the "Defendant Insurance Company(ies)" were  
 20 unjustly enriched at the expense of Plaintiff(s), by retaining money due and owing Plaintiff(s).

21 62. As a result of "Defendant Insurance Company(ies)" retaining the money (the  
 22 amount of collision damage due and owing Plaintiff, Plaintiff is entitled to restitution and/or  
 23 restitutionary disgorgement of the amount to reimburse Plaintiff for her collision loss.

24 **Comes now Plaintiff TYLER THOMPSON, and alleges for a Third Cause of Action**  
 25 **for Breach of Contract against Defendants National General Insurance Company, Integon**  
 26 **National Insurance Company and Does 1-50, as follows:**

27 63. Plaintiff hereby incorporates by reference as though set forth in full herein,  
 28 Paragraphs 1 through 10, inclusive. On or about September 5, 2017, Plaintiff was in an auto

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1 accident where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly  
2 thereafter, Plaintiff's automobile policy was rescinded for an alleged failure to disclose members  
3 of Plaintiff's household.

4 64. That at all times herein mentioned Plaintiff had in force and effect an automobile  
5 insurance policy with defendants.

6 65. The "Defendant Insurance Company(ies)" breached the herein alleged insurance  
7 contract by not paying to Plaintiff the benefits due and owing under said insurance policy.

8 66. As special damages flowing from "Defendant Insurance Company(ies)" breach of  
9 contract, Plaintiff has sustained economic damages for the collision damage sustained by and the  
10 value of his or her car. Plaintiff also sustained other economic damages in liability to third  
11 parties. Plaintiff has sustained further economic damages in that Plaintiff's attorney is  
12 prosecuting the present matter. Plaintiff has and will continue to incur attorney's fees in the  
13 prosecution of this cause of action.

14 67. As a consequential result of the wrongful conduct of "Defendant Insurance  
15 Company(ies)", and each of them, Plaintiff has and or will sustain damages in an amount  
16 currently unknown to Plaintiff, but which will be shown according to proof at the time of trial.

17 **Comes now Plaintiff PABLO HERNANDEZ, and alleges for a First Cause of Action**  
18 **for Bad Faith (Breach of the Implied Covenant of Good Faith and Fair Dealing) against**  
19 **Defendants National General Insurance Company and Integon National Insurance**  
20 **Company and Does 1-50, as follows:**

21 68. Plaintiffs hereby incorporates by reference as though set forth in full herein  
22 Paragraphs 1 through 10, inclusive. On or about November 13, 2017, Plaintiff was in an auto  
23 accident where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly  
24 thereafter, Plaintiff's automobile policy was rescinded for an alleged failure to disclose members  
25 of Plaintiff's household.

26 69. That at all times herein mentioned Plaintiff had in force and effect an automobile  
27 insurance policy with defendants.

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1           70.     Implied into the terms and conditions of the above referenced insurance policy is  
2 that "Defendant Insurance Company(ies)" would at all times deal with Plaintiff in good faith and  
3 with fair dealing. That at all times, the "Defendant Insurance Company(ies)" have not dealt with  
4 Plaintiff with good faith and fair dealing.

5           71.     The above reasoning for refusing to pay Plaintiff's claim is fallacious and merely  
6 a ruse for "Defendant Insurance Company(ies)" refusal and failure to honor the terms and  
7 conditions of the policies of insurance. At all times herein mentioned, there was no material  
8 misrepresentation by Plaintiff and "Defendant Insurance Company(ies)" assertion thereof was  
9 done with the intent and purpose to avoid paying Plaintiff's claims, including their collision  
10 claim.

11           72.     That at all times herein mention the policy of insurance issued by and  
12 underwritten by the defendants also contained liability coverage. The defendants and each of  
13 them engaged in post claim underwriting for purposes of rescinding the insurance policy and  
14 denying coverage

15           73.     By engaging in the above referenced conduct, the "Defendant Insurance  
16 Company(ies)" and each of them have breached the implied covenant of good faith and fair  
17 dealing and have acted in bad faith toward Plaintiff.

18           74.     As a proximate result of the wrongful conduct of "Defendant Insurance  
19 Company(ies)," and each of them, Plaintiff has sustained economic damages in excess of the  
20 minimum amount required for jurisdiction of the above-entitled court and which will be shown  
21 according to proof at the time of trial.

22           75.     The above referenced conduct was done willfully and maliciously by "Defendant  
23 Insurance Company(ies)." Their refusal to pay the insurance policy benefits was done in  
24 conscious disregard of Plaintiff's rights with full knowledge that under the insurance policy as  
25 written, they were obligated to pay for Plaintiff's losses, yet refused to do so, knowing that said  
26 refusal would cause injury to Plaintiff. The "Defendant Insurance Company(ies)" conduct is  
27 despicable in that "Defendant Insurance Company(ies)" knew they had an obligation to pay for  
28 Plaintiff's losses, yet in total derogation of Plaintiff's rights, refused to pay for said losses.

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1 Comes now Plaintiff PABLO HERNANDEZ, and alleges for a Second Cause of  
2 Action for Unfair Business Practice against Defendants National General Insurance  
3 Company, Integon National Insurance Company, and Does 1-50, as follows:

4 76. Plaintiff hereby incorporates by reference as though set forth in full herein,  
5 Paragraphs 1 through 10, inclusive. On or about November 13, 2017, Plaintiff was in an auto  
6 accident where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly  
7 thereafter, Plaintiff's automobile policy was rescinded for an alleged failure to disclose members  
8 of Plaintiff's household.

9 77. That at all times herein mentioned Plaintiff had in force and effect an automobile  
10 insurance policy with defendants.

11 78. At all times herein mentioned, "Defendant Insurance Company(ies)" have  
12 engaged in unfair, unlawful and/or fraudulent business practices in violation of Business and  
13 Professions Code, sections 17200 et seq. The "Defendant Insurance Company(ies)" issue and/or  
14 underwrite policies of automobile insurance which typically have minimum policy limits. Their  
15 insureds are typically high risk, unsophisticated consumers. The policies of insurance maintain  
16 exclusions and definitions not found in the typical automobile policy. At all times herein  
17 mentioned the "Defendant Insurance Company(ies)" engaged in the business practice whereby  
18 when dealing with first party collision claims, the "Defendant Insurance Company(ies)" in  
19 referencing their "Reduced Coverage Disclosure Summary," the application for insurance,  
20 and/or certain provisions in the insurance policy itself, deny coverage based on immaterial  
21 provisions of said Disclosure, application, and/or insurance policy. In conjunction therewith,  
22 "Defendant Insurance Company(ies)" unilaterally send a notice of rescission and return the  
23 premiums paid. Specifically, the "Defendant Insurance Company(ies)" and each of them issue  
24 and/or underwrite policies of automobile insurance providing Collision coverage. By the terms  
25 of the policies, the collision coverage is applicable only when an insured vehicle is being driven  
26 by the named insured. Following an accident in which the insured's(s) vehicle(s) is(are) being  
27 driven by the named insured(s), the "Defendant Insurance Company(ies)" deny coverage based  
28 on the insured's(s) failure to inform defendants that the named insured(s) lived with family



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1 members, relatives, and/or other household members. Said rationale for denying coverage is  
2 irrelevant and immaterial in that the collision coverage underwritten and/or issued is present only  
3 when the insured vehicle(s) is being driven by the named insured(s) (and not when being driven  
4 by a family member, relative, or other permissive user.). As a result of this fraudulent, unlawful  
5 or unfair business practice, the "Defendant Insurance Company(ies)" save millions of dollars by  
6 not paying covered claims.

7 The "Defendant Insurance Company(ies)" have engaged in the pattern and practice of  
8 rescinding insurance policies of otherwise covered claims based on the immaterial provisions of  
9 the application for insurance and/or the insurance policy. The policy and practice of "Defendant  
10 Insurance Company(ies)" is to cover collision damage under very restrictive policy provisions in  
11 which said collision damage is covered only if the collision involves a covered vehicle driven by  
12 a named insured. If the covered vehicle is not involved in an accident, the "Defendant Insurance  
13 Company(ies)" profit from receipt of the premium. If the covered vehicle is involved in an  
14 accident when being driven by a named insured the "Defendant Insurance Company(ies)"  
15 engage in post-accident underwriting by rescinding the policy on an immaterial representation in  
16 the application or an immaterial policy provision, saving themselves millions of dollars by not  
17 reimbursing their insured for a covered claim. The "Defendant Insurance  
18 Company(ies)" unlawfully and unfairly take advantage of their insureds all to the "Defendant  
19 Insurance Company(ies)" financial benefit.

20 The conduct as herein alleged is unfair within the meaning of Business and Professions  
21 Code sections 17200 et seq. By not covering collision damage pursuant to the terms of the  
22 insurance policy, and rescinding the policy, the plaintiffs have suffered substantial damages in  
23 that plaintiffs were not reimbursed for the collision damages to their vehicles which in almost all  
24 cases are in the thousands of dollars per vehicle. The injury to plaintiffs by "Defendant  
25 Insurance Company(ies)"s wrongful conduct is not outweighed by any countervailing benefits to  
26 consumers. There is no benefit to the consuming public for members of the public to pay  
27 insurance premiums to "Defendant Insurance Company(ies)" for collision damage for their  
28 vehicles, and then after making a claim, have the "Defendant Insurance Company(ies)" rescind

1 the insurance policy based on an immaterial term in the policy or application. The net result of  
2 said conduct is that "Defendant Insurance Company(ies)" unfairly avoid their contractual  
3 responsibilities under the insurance policies all to the benefit of the "Defendant Insurance  
4 Company(ies)" and all to the detriment of their policy holders, the consuming public. Further,  
5 the injury to plaintiffs could not be reasonably avoided and was not foreseeable. At all times,  
6 most of the policies of insurance underwritten and/or issued by "Defendant Insurance  
7 Company(ies)" were written with the minimum required limits of 15/30/5. The insureds are high  
8 risk and need to pay premiums on a monthly basis. Few insurance companies are willing to  
9 underwrite or issue policies to individuals in plaintiffs' position. As a result, plaintiffs have few  
10 other choices in the insurance market to obtain legally mandated insurance. Additionally, the  
11 injury to plaintiffs as a result of "Defendant Insurance Company(ies)" wrongful conduct in  
12 rescinding the policies was not foreseeable. Here, plaintiffs and each of them purchased  
13 insurance policies covering collision damage. The policies were written by "Defendant  
14 Insurance Company(ies)" and understood by plaintiffs' to cover collision damage to the covered  
15 vehicle only when being driven by the named insured. In each instance alleged herein the  
16 covered vehicles were being driven by the named insureds; as such it was unforeseeable to  
17 plaintiffs that they would not be reimbursed for damage to their respective vehicles. After the  
18 collision however, defendants inquired of plaintiffs whether they respectively resided with a  
19 relative or other person. Based on this after the fact investigation the "Defendant Insurance  
20 Company(ies)" in each instance alleged herein, unforeseeably rescinded the contract based on an  
21 immaterial term irrelevant to the terms of coverage and contrary to the reasonable expectations  
22 of their insureds.

23 Additionally, said business practice is unlawful and contrary to the law as set forth in  
24 Insurance Code, section 359. The "Defendant Insurance Company(ies)" and each of them  
25 unlawfully rescind the insurance contracts based on alleged misrepresentations or concealment  
26 by the insureds, which are not material as required by Insurance Code section 359. The  
27 fallacious grounds used by "Defendant Insurance Company(ies)" to rescind said policies is  
28 ///



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1 wholly irrelevant and immaterial to the underwriting and or issuance of collision coverage, all in  
2 derogation of the express provisions of Insurance Code section 359.

3 Said business practice is fraudulent in that the "Defendant Insurance Company(ies)"  
4 represent to their insureds in both the application and in the insurance policy that the insured will  
5 be covered for collision damage in the event of an accident wherein the covered vehicle is being  
6 driven by the named insured. In reliance on these representations the insureds procure insurance  
7 from "Defendant Insurance Company(ies)" and continue to pay monthly premiums to  
8 "Defendant Insurance Company(ies)" on their insurance policies. The representations by the  
9 "Defendant Insurance Company(ies)" are in fact false; following an accident in which the  
10 covered vehicle is being driven by the named insured, the "Defendant Insurance Company(ies)"  
11 refuse to cover the loss and rescind the policy based on an immaterial provision or disclosure in  
12 the application and insurance policy. Had plaintiffs known of the true facts, plaintiffs would not  
13 have procured collision coverage through "Defendant Insurance Company(ies)"

14 The Defendant Insurance Companies further engaged in fraudulent, deceptive and  
15 unlawful conduct in knowingly allowing their insurance brokers and agents to fail to  
16 communicate to Defendant Insurance Companies the fact that their insureds during the policy  
17 period, had changed addresses and/or moved in with other individuals. In encouraging and/or  
18 allowing said business practice to occur, the Defendant Insurance Companies are therefore able  
19 to deny coverage on an immaterial representation (or alleged failure to represent) relative to  
20 coverage. In knowingly allowing said insurance brokers and agents to engage in said conduct,  
21 said Defendant Insurance Companies must be deemed to have imputed knowledge as to the facts  
22 communicated by their insured(s) to said brokers and agents.

23 That the policies of insurance issued by the defendants and each of them, also contained  
24 liability insurance. The defendants and each of them engaged in unfair business practices by  
25 rescinding said policy of insurance and denying coverage, by engaging in post claim  
26 underwriting.

27 79. In denying Plaintiff(s)' collision claim(s), the "Defendant Insurance  
28 Company(ies)" and each of them relied on immaterial provisions of the Disclosure form, the

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1 application and/or the insurance policy as grounds for not covering Plaintiff's(s) collision  
2 claim(s). "Defendant Insurance Company(ies)"s unilaterally attempted to rescind the contract by  
3 returning the premiums paid by Plaintiff(s). As a result of this fraudulent and unfair business  
4 practice, plaintiffs have been deprived of the benefits which were due and owing under the terms  
5 and conditions of the respective insurance policies.

6 80. At all times herein mentioned the "Defendant Insurance Company(ies)" were  
7 unjustly enriched at the expense of Plaintiff(s), by retaining money due and owing Plaintiff(s).

8 81. As a result of "Defendant Insurance Company(ies)" retaining the money (the  
9 amount of collision damage due and owing Plaintiff, Plaintiff is entitled to restitution and/or  
10 restitutionary disgorgement of the amount to reimburse Plaintiff for her collision loss.

11 **Comes now Plaintiff PABLO HERNANDEZ, and alleges for a Third Cause of**  
12 **Action for Breach of Contract against Defendants National General Insurance Company,**  
13 **Integon National Insurance Company and Does 1-50, as follows:**

14 82. Plaintiff hereby incorporates by reference as though set forth in full herein,  
15 Paragraphs 1 through 10, inclusive. On or about November 13, 2017, Plaintiff was in an auto  
16 accident where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly  
17 thereafter, Plaintiff's automobile policy was rescinded for an alleged failure to disclose members  
18 of Plaintiff's household.

19 83. That at all times herein mentioned Plaintiff had in force and effect an automobile  
20 insurance policy with defendants.

21 84. The "Defendant Insurance Company(ies)" breached the herein alleged insurance  
22 contract by not paying to Plaintiff the benefits due and owing under said insurance policy.

23 85. As special damages flowing from "Defendant Insurance Company(ies)" breach of  
24 contract, Plaintiff has sustained economic damages for the collision damage sustained by and the  
25 value of his or her car. Plaintiff also sustained other economic damages in liability to third  
26 parties. Plaintiff has sustained further economic damages in that Plaintiff's attorney is  
27 prosecuting the present matter. Plaintiff has and will continue to incur attorney's fees in the  
28 prosecution of this cause of action.

1           86. As a consequential result of the wrongful conduct of "Defendant Insurance  
2 Company(ies)", and each of them, Plaintiff has and or will sustain damages in an amount  
3 currently unknown to Plaintiff, but which will be shown according to proof at the time of trial.

4           **Comes now Plaintiff YOLANDA SALAMANCA DIAZ, and alleges for a First**  
5 **Cause of Action for Bad Faith (Breach of the Implied Covenant of Good Faith and Fair**  
6 **Dealing) against Defendants National General Insurance Company and Integon National**  
7 **Insurance Company and Does 1-50, as follows:**

8           87. Plaintiffs hereby incorporates by reference as though set forth in full herein  
9 Paragraphs 1 through 10, inclusive. On or about December of 2017, Plaintiff was in an auto  
10 accident where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly  
11 thereafter, Plaintiff's automobile policy was rescinded for an alleged failure to disclose members  
12 of Plaintiff's household.

13           88. That at all times herein mentioned Plaintiff had in force and effect an automobile  
14 insurance policy with defendants.

15           89. Implied into the terms and conditions of the above referenced insurance policy is  
16 that "Defendant Insurance Company(ies)" would at all times deal with Plaintiff in good faith and  
17 with fair dealing. That at all times, the "Defendant Insurance Company(ies)" have not dealt with  
18 Plaintiff with good faith and fair dealing.

19           90. The above reasoning for refusing to pay Plaintiff's claim is fallacious and merely  
20 a ruse for "Defendant Insurance Company(ies)" refusal and failure to honor the terms and  
21 conditions of the policies of insurance. At all times herein mentioned, there was no material  
22 misrepresentation by Plaintiff and "Defendant Insurance Company(ies)" assertion thereof was  
23 done with the intent and purpose to avoid paying Plaintiff's claims, including their collision  
24 claim.

25           91. That at all times herein mention the policy of insurance issued by and  
26 underwritten by the defendants also contained liability coverage. The defendants and each of  
27 them engaged in post claim underwriting for purposes of rescinding the insurance policy and  
28 denying coverage

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1 92. By engaging in the above referenced conduct, the "Defendant Insurance  
2 Company(ies)" and each of them have breached the implied covenant of good faith and fair  
3 dealing and have acted in bad faith toward Plaintiff.

4 93. As a proximate result of the wrongful conduct of "Defendant Insurance  
5 Company(ies)," and each of them, Plaintiff has sustained economic damages in excess of the  
6 minimum amount required for jurisdiction of the above-entitled court and which will be shown  
7 according to proof at the time of trial.

8 94. The above referenced conduct was done willfully and maliciously by "Defendant  
9 Insurance Company(ies)." Their refusal to pay the insurance policy benefits was done in  
10 conscious disregard of Plaintiff's rights with full knowledge that under the insurance policy as  
11 written, they were obligated to pay for Plaintiff's losses, yet refused to do so, knowing that said  
12 refusal would cause injury to Plaintiff. The "Defendant Insurance Company(ies)" conduct is  
13 despicable in that "Defendant Insurance Company(ies)" knew they had an obligation to pay for  
14 Plaintiff's losses, yet in total derogation of Plaintiff's rights, refused to pay for said losses.

15 **Comes now Plaintiff YOLANDA SALAMANCA DIAZ, and alleges for a Second**  
16 **Cause of Action for Unfair Business Practice against Defendants National General**  
17 **Insurance Company, Integon National Insurance Company, and Does 1-50, as follows:**

18 95. Plaintiff hereby incorporates by reference as though set forth in full herein,  
19 Paragraphs 1 through 10, inclusive. On or about December of 2017, Plaintiff was in an auto  
20 accident where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly  
21 thereafter, Plaintiff's automobile policy was rescinded for an alleged failure to disclose members  
22 of Plaintiff's household.

23 96. That at all times herein mentioned Plaintiff had in force and effect an automobile  
24 insurance policy with defendants.

25 97. At all times herein mentioned, "Defendant Insurance Company(ies)" have  
26 engaged in unfair, unlawful and/or fraudulent business practices in violation of Business and  
27 Professions Code, sections 17200 et seq. The "Defendant Insurance Company(ies)" issue and/or  
28 underwrite policies of automobile insurance which typically have minimum policy limits. Their

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1 insureds are typically high risk, unsophisticated consumers. The policies of insurance maintain  
2 exclusions and definitions not found in the typical automobile policy. At all times herein  
3 mentioned the "Defendant Insurance Company(ies)" engaged in the business practice whereby  
4 when dealing with first party collision claims, the "Defendant Insurance Company(ies)" in  
5 referencing their "Reduced Coverage Disclosure Summary," the application for insurance,  
6 and/or certain provisions in the insurance policy itself, deny coverage based on immaterial  
7 provisions of said Disclosure, application, and/or insurance policy. In conjunction therewith,  
8 "Defendant Insurance Company(ies)" unilaterally send a notice of rescission and return the  
9 premiums paid. Specifically, the "Defendant Insurance Company(ies)" and each of them issue  
10 and/or underwrite policies of automobile insurance providing Collision coverage. By the terms  
11 of the policies, the collision coverage is applicable only when an insured vehicle is being driven  
12 by the named insured. Following an accident in which the insured's(s') vehicle(s) is(are) being  
13 driven by the named insured(s), the "Defendant Insurance Company(ies)" deny coverage based  
14 on the insured's(s') failure to inform defendants that the named insured(s) lived with family  
15 members, relatives, and/or other household members. Said rationale for denying coverage is  
16 irrelevant and immaterial in that the collision coverage underwritten and/or issued is present only  
17 when the insured vehicle(s) is being driven by the named insured(s) (and not when being driven  
18 by a family member, relative, or other permissive user.). As a result of this fraudulent, unlawful  
19 or unfair business practice, the "Defendant Insurance Company(ies)" save millions of dollars by  
20 not paying covered claims.

21 The "Defendant Insurance Company(ies)" have engaged in the pattern and practice of  
22 rescinding insurance policies of otherwise covered claims based on the immaterial provisions of  
23 the application for insurance and/or the insurance policy. The policy and practice of "Defendant  
24 Insurance Company(ies)" is to cover collision damage under very restrictive policy provisions in  
25 which said collision damage is covered only if the collision involves a covered vehicle driven by  
26 a named insured. If the covered vehicle is not involved in an accident, the "Defendant Insurance  
27 Company(ies)" profit from receipt of the premium. If the covered vehicle is involved in an  
28 accident when being driven by a named insured the "Defendant Insurance Company(ies)"



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1 engage in post-accident underwriting by rescinding the policy on an immaterial representation in  
2 the application or an immaterial policy provision, saving themselves millions of dollars by not  
3 reimbursing their insured for a covered claim. The "Defendant Insurance  
4 Company(ies)" unlawfully and unfairly take advantage of their insureds all to the "Defendant  
5 Insurance Company(ies)" financial benefit.

6 The conduct as herein alleged is unfair within the meaning of Business and Professions  
7 Code sections 17200 et seq. By not covering collision damage pursuant to the terms of the  
8 insurance policy, and rescinding the policy, the plaintiffs have suffered substantial damages in  
9 that plaintiffs were not reimbursed for the collision damages to their vehicles which in almost all  
10 cases are in the thousands of dollars per vehicle. The injury to plaintiffs by "Defendant  
11 Insurance Company(ies)"s wrongful conduct is not outweighed by any countervailing benefits to  
12 consumers. There is no benefit to the consuming public for members of the public to pay  
13 insurance premiums to "Defendant Insurance Company(ies)" for collision damage for their  
14 vehicles, and then after making a claim, have the "Defendant Insurance Company(ies)" rescind  
15 the insurance policy based on an immaterial term in the policy or application. The net result of  
16 said conduct is that "Defendant Insurance Company(ies)" unfairly avoid their contractual  
17 responsibilities under the insurance policies all to the benefit of the "Defendant Insurance  
18 Company(ies)" and all to the detriment of their policy holders, the consuming public. Further,  
19 the injury to plaintiffs could not be reasonably avoided and was not foreseeable. At all times,  
20 most of the policies of insurance underwritten and/or issued by "Defendant Insurance  
21 Company(ies)" were written with the minimum required limits of 15/30/5. The insureds are high  
22 risk and need to pay premiums on a monthly basis. Few insurance companies are willing to  
23 underwrite or issue policies to individuals in plaintiffs' position. As a result, plaintiffs have few  
24 other choices in the insurance market to obtain legally mandated insurance. Additionally, the  
25 injury to plaintiffs as a result of "Defendant Insurance Company(ies)" wrongful conduct in  
26 rescinding the policies was not foreseeable. Here, plaintiffs and each of them purchased  
27 insurance policies covering collision damage. The policies were written by "Defendant  
28 Insurance Company(ies)" and understood by plaintiffs' to cover collision damage to the covered

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1 vehicle only when being driven by the named insured. In each instance alleged herein the  
2 covered vehicles were being driven by the named insureds; as such it was unforeseeable to  
3 plaintiffs that they would not be reimbursed for damage to their respective vehicles. After the  
4 collision however, defendants inquired of plaintiffs whether they respectively resided with a  
5 relative or other person. Based on this after the fact investigation the "Defendant Insurance  
6 Company(ies)" in each instance alleged herein, unforeseeably rescinded the contract based on an  
7 immaterial term irrelevant to the terms of coverage and contrary to the reasonable expectations  
8 of their insureds.

9       Additionally, said business practice is unlawful and contrary to the law as set forth in  
10 Insurance Code, section 359. The "Defendant Insurance Company(ies)" and each of them  
11 unlawfully rescind the insurance contracts based on alleged misrepresentations or concealment  
12 by the insureds, which are not material as required by Insurance Code section 359. The  
13 fallacious grounds used by "Defendant Insurance Company(ies)" to rescind said policies is  
14 wholly irrelevant and immaterial to the underwriting and or issuance of collision coverage, all in  
15 derogation of the express provisions of Insurance Code section 359.

16       Said business practice is fraudulent in that the "Defendant Insurance Company(ies)"  
17 represent to their insureds in both the application and in the insurance policy that the insured will  
18 be covered for collision damage in the event of an accident wherein the covered vehicle is being  
19 driven by the named insured. In reliance on these representations the insureds procure insurance  
20 from "Defendant Insurance Company(ies)" and continue to pay monthly premiums to  
21 "Defendant Insurance Company(ies)" on their insurance policies. The representations by the  
22 "Defendant Insurance Company(ies)" are in fact false; following an accident in which the  
23 covered vehicle is being driven by the named insured, the "Defendant Insurance Company(ies)"  
24 refuse to cover the loss and rescind the policy based on an immaterial provision or disclosure in  
25 the application and insurance policy. Had plaintiffs known of the true facts, plaintiffs would not  
26 have procured collision coverage through "Defendant Insurance Company(ies)"

27       The Defendant Insurance Companies further engaged in fraudulent, deceptive and  
28 unlawful conduct in knowingly allowing their insurance brokers and agents to fail to

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1 communicate to Defendant Insurance Companies the fact that their insureds during the policy  
 2 period, had changed addresses and/or moved in with other individuals. In encouraging and/or  
 3 allowing said business practice to occur, the Defendant Insurance Companies are therefore able  
 4 to deny coverage on an immaterial representation (or alleged failure to represent) relative to  
 5 coverage. In knowingly allowing said insurance brokers and agents to engage in said conduct,  
 6 said Defendant Insurance Companies must be deemed to have imputed knowledge as to the facts  
 7 communicated by their insured(s) to said brokers and agents.

8 That the policies of insurance issued by the defendants and each of them, also contained  
 9 liability insurance. The defendants and each of them engaged in unfair business practices by  
 10 rescinding said policy of insurance and denying coverage, by engaging in post claim  
 11 underwriting.

12 98. In denying Plaintiff's(s) collision claim(s), the "Defendant Insurance  
 13 Company(ies)" and each of them relied on immaterial provisions of the Disclosure form, the  
 14 application and/or the insurance policy as grounds for not covering Plaintiff's(s) collision  
 15 claim(s). "Defendant Insurance Company(ies)"s unilaterally attempted to rescind the contract by  
 16 returning the premiums paid by Plaintiff(s). As a result of this fraudulent and unfair business  
 17 practice, plaintiffs have been deprived of the benefits which were due and owing under the terms  
 18 and conditions of the respective insurance policies.

19 99. At all times herein mentioned the "Defendant Insurance Company(ies)" were  
 20 unjustly enriched at the expense of Plaintiff(s), by retaining money due and owing Plaintiff(s).

21 100. As a result of "Defendant Insurance Company(ies)" retaining the money (the  
 22 amount of collision damage due and owing Plaintiff, Plaintiff is entitled to restitution and/or  
 23 restitutionary disgorgement of the amount to reimburse Plaintiff for her collision loss.

24 **Comes now Plaintiff YOLANDA SALAMANCA DIAZ, and alleges for a Third**  
 25 **Cause of Action for Breach of Contract against Defendants National General Insurance**  
 26 **Company, Integon National Insurance Company and Does 1-50, as follows:**

27 101. Plaintiff hereby incorporates by reference as though set forth in full herein,  
 28 Paragraphs 1 through 10, inclusive. On or about December of 2017, Plaintiff was in an auto

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1 accident where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly  
2 thereafter, Plaintiff's automobile policy was rescinded for an alleged failure to disclose members  
3 of Plaintiff's household.

4 102. That at all times herein mentioned Plaintiff had in force and effect an automobile  
5 insurance policy with defendants.

6 103. The "Defendant Insurance Company(ies)" breached the herein alleged insurance  
7 contract by not paying to Plaintiff the benefits due and owing under said insurance policy.

8 104. As special damages flowing from "Defendant Insurance Company(ies)" breach of  
9 contract, Plaintiff has sustained economic damages for the collision damage sustained by and the  
10 value of his or her car. Plaintiff also sustained other economic damages in liability to third  
11 parties. Plaintiff has sustained further economic damages in that Plaintiff's attorney is  
12 prosecuting the present matter. Plaintiff has and will continue to incur attorney's fees in the  
13 prosecution of this cause of action.

14 105. As a consequential result of the wrongful conduct of "Defendant Insurance  
15 Company(ies)", and each of them, Plaintiff has and or will sustain damages in an amount  
16 currently unknown to Plaintiff, but which will be shown according to proof at the time of trial.

17 **Comes now Plaintiff ASCENCION GALARZA, and alleges for a First Cause of**  
18 **Action for Bad Faith (Breach of the Implied Covenant of Good Faith and Fair Dealing)**  
19 **against Defendants National General Insurance Company and Integon National Insurance**  
20 **Company and Does 1-50, as follows:**

21 106. Plaintiffs hereby incorporates by reference as though set forth in full herein  
22 Paragraphs 1 through 10, inclusive. On or about December of 2017, Plaintiff was in an auto  
23 accident where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly  
24 thereafter, Plaintiff's automobile policy was rescinded for an alleged failure to disclose members  
25 of Plaintiff's household.

26 107. That at all times herein mentioned Plaintiff had in force and effect an automobile  
27 insurance policy with defendants.

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1 108. Implied into the terms and conditions of the above referenced insurance policy is  
2 that "Defendant Insurance Company(ies)" would at all times deal with Plaintiff in good faith and  
3 with fair dealing. That at all times, the "Defendant Insurance Company(ies)" have not dealt with  
4 Plaintiff with good faith and fair dealing.

5 109. The above reasoning for refusing to pay Plaintiff's claim is fallacious and merely  
6 a ruse for "Defendant Insurance Company(ies)" refusal and failure to honor the terms and  
7 conditions of the policies of insurance. At all times herein mentioned, there was no material  
8 misrepresentation by Plaintiff and "Defendant Insurance Company(ies)" assertion thereof was  
9 done with the intent and purpose to avoid paying Plaintiff's claims, including their collision  
10 claim.

11 110. That at all times herein mention the policy of insurance issued by and  
12 underwritten by the defendants also contained liability coverage. The defendants and each of  
13 them engaged in post claim underwriting for purposes of rescinding the insurance policy and  
14 denying coverage

15 111. By engaging in the above referenced conduct, the "Defendant Insurance  
16 Company(ies)" and each of them have breached the implied covenant of good faith and fair  
17 dealing and have acted in bad faith toward Plaintiff.

18 112. As a proximate result of the wrongful conduct of "Defendant Insurance  
19 Company(ies)," and each of them, Plaintiff has sustained economic damages in excess of the  
20 minimum amount required for jurisdiction of the above-entitled court and which will be shown  
21 according to proof at the time of trial.

22 113. The above referenced conduct was done willfully and maliciously by "Defendant  
23 Insurance Company(ies)." Their refusal to pay the insurance policy benefits was done in  
24 conscious disregard of Plaintiff's rights with full knowledge that under the insurance policy as  
25 written, they were obligated to pay for Plaintiff's losses, yet refused to do so, knowing that said  
26 refusal would cause injury to Plaintiff. The "Defendant Insurance Company(ies)" conduct is  
27 despicable in that "Defendant Insurance Company(ies)" knew they had an obligation to pay for  
28 Plaintiff's losses, yet in total derogation of Plaintiff's rights, refused to pay for said losses.

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1 Comes now Plaintiff ASCENCION GALARZA, and alleges for a Second Cause of  
2 Action for Unfair Business Practice against Defendants National General Insurance  
3 Company, Integon National Insurance Company, and Does 1-50, as follows:

4 114. Plaintiff hereby incorporates by reference as though set forth in full herein,  
5 Paragraphs 1 through 10, inclusive. On or about December of 2017, Plaintiff was in an auto  
6 accident where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly  
7 thereafter, Plaintiff's automobile policy was rescinded for an alleged failure to disclose members  
8 of Plaintiff's household.

9 115. That at all times herein mentioned Plaintiff had in force and effect an automobile  
10 insurance policy with defendants.

11 116. At all times herein mentioned, "Defendant Insurance Company(ies)" have  
12 engaged in unfair, unlawful and/or fraudulent business practices in violation of Business and  
13 Professions Code, sections 17200 et seq. The "Defendant Insurance Company(ies)" issue and/or  
14 underwrite policies of automobile insurance which typically have minimum policy limits. Their  
15 insureds are typically high risk, unsophisticated consumers. The policies of insurance maintain  
16 exclusions and definitions not found in the typical automobile policy. At all times herein  
17 mentioned the "Defendant Insurance Company(ies)" engaged in the business practice whereby  
18 when dealing with first party collision claims, the "Defendant Insurance Company(ies)" in  
19 referencing their "Reduced Coverage Disclosure Summary," the application for insurance,  
20 and/or certain provisions in the insurance policy itself, deny coverage based on immaterial  
21 provisions of said Disclosure, application, and/or insurance policy. In conjunction therewith,  
22 "Defendant Insurance Company(ies)" unilaterally send a notice of rescission and return the  
23 premiums paid. Specifically, the "Defendant Insurance Company(ies)" and each of them issue  
24 and/or underwrite policies of automobile insurance providing Collision coverage. By the terms  
25 of the policies, the collision coverage is applicable only when an insured vehicle is being driven  
26 by the named insured. Following an accident in which the insured's(s) vehicle(s) is(are) being  
27 driven by the named insured(s), the "Defendant Insurance Company(ies)" deny coverage based  
28 on the insured's(s) failure to inform defendants that the named insured(s) lived with family

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1 members, relatives, and/or other household members. Said rationale for denying coverage is  
2 irrelevant and immaterial in that the collision coverage underwritten and/or issued is present only  
3 when the insured vehicle(s) is being driven by the named insured(s) (and not when being driven  
4 by a family member, relative, or other permissive user.). As a result of this fraudulent, unlawful  
5 or unfair business practice, the "Defendant Insurance Company(ies)" save millions of dollars by  
6 not paying covered claims.

7 The "Defendant Insurance Company(ies)" have engaged in the pattern and practice of  
8 rescinding insurance policies of otherwise covered claims based on the immaterial provisions of  
9 the application for insurance and/or the insurance policy. The policy and practice of "Defendant  
10 Insurance Company(ies)" is to cover collision damage under very restrictive policy provisions in  
11 which said collision damage is covered only if the collision involves a covered vehicle driven by  
12 a named insured. If the covered vehicle is not involved in an accident, the "Defendant Insurance  
13 Company(ies)" profit from receipt of the premium. If the covered vehicle is involved in an  
14 accident when being driven by a named insured the "Defendant Insurance Company(ies)"  
15 engage in post-accident underwriting by rescinding the policy on an immaterial representation in  
16 the application or an immaterial policy provision, saving themselves millions of dollars by not  
17 reimbursing their insured for a covered claim. The "Defendant Insurance  
18 Company(ies)" unlawfully and unfairly take advantage of their insureds all to the "Defendant  
19 Insurance Company(ies)" financial benefit.

20 The conduct as herein alleged is unfair within the meaning of Business and Professions  
21 Code sections 17200 et seq. By not covering collision damage pursuant to the terms of the  
22 insurance policy, and rescinding the policy, the plaintiffs have suffered substantial damages in  
23 that plaintiffs were not reimbursed for the collision damages to their vehicles which in almost all  
24 cases are in the thousands of dollars per vehicle. The injury to plaintiffs by "Defendant  
25 Insurance Company(ies)"s wrongful conduct is not outweighed by any countervailing benefits to  
26 consumers. There is no benefit to the consuming public for members of the public to pay  
27 insurance premiums to "Defendant Insurance Company(ies)" for collision damage for their  
28 vehicles, and then after making a claim, have the "Defendant Insurance Company(ies)" rescind

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1 the insurance policy based on an immaterial term in the policy or application. The net result of  
2 said conduct is that "Defendant Insurance Company(ies)" unfairly avoid their contractual  
3 responsibilities under the insurance policies all to the benefit of the "Defendant Insurance  
4 Company(ies)" and all to the detriment of their policy holders, the consuming public. Further,  
5 the injury to plaintiffs could not be reasonably avoided and was not foreseeable. At all times,  
6 most of the policies of insurance underwritten and/or issued by "Defendant Insurance  
7 Company(ies)" were written with the minimum required limits of 15/30/5. The insureds are high  
8 risk and need to pay premiums on a monthly basis. Few insurance companies are willing to  
9 underwrite or issue policies to individuals in plaintiffs' position. As a result, plaintiffs have few  
10 other choices in the insurance market to obtain legally mandated insurance. Additionally, the  
11 injury to plaintiffs as a result of "Defendant Insurance Company(ies)" wrongful conduct in  
12 rescinding the policies was not foreseeable. Here, plaintiffs and each of them purchased  
13 insurance policies covering collision damage. The policies were written by "Defendant  
14 Insurance Company(ies)" and understood by plaintiffs' to cover collision damage to the covered  
15 vehicle only when being driven by the named insured. In each instance alleged herein the  
16 covered vehicles were being driven by the named insureds; as such it was unforeseeable to  
17 plaintiffs that they would not be reimbursed for damage to their respective vehicles. After the  
18 collision however, defendants inquired of plaintiffs whether they respectively resided with a  
19 relative or other person. Based on this after the fact investigation the "Defendant Insurance  
20 Company(ies)" in each instance alleged herein, unforeseeably rescinded the contract based on an  
21 immaterial term irrelevant to the terms of coverage and contrary to the reasonable expectations  
22 of their insureds.

23 Additionally, said business practice is unlawful and contrary to the law as set forth in  
24 Insurance Code, section 359. The "Defendant Insurance Company(ies)" and each of them  
25 unlawfully rescind the insurance contracts based on alleged misrepresentations or concealment  
26 by the insureds, which are not material as required by Insurance Code section 359. The  
27 fallacious grounds used by "Defendant Insurance Company(ies)" to rescind said policies is

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1 wholly irrelevant and immaterial to the underwriting and or issuance of collision coverage, all in  
2 derogation of the express provisions of Insurance Code section 359.

3 Said business practice is fraudulent in that the "Defendant Insurance Company(ies)"  
4 represent to their insureds in both the application and in the insurance policy that the insured will  
5 be covered for collision damage in the event of an accident wherein the covered vehicle is being  
6 driven by the named insured. In reliance on these representations the insureds procure insurance  
7 from "Defendant Insurance Company(ies)" and continue to pay monthly premiums to  
8 "Defendant Insurance Company(ies)" on their insurance policies. The representations by the  
9 "Defendant Insurance Company(ies)" are in fact false; following an accident in which the  
10 covered vehicle is being driven by the named insured, the "Defendant Insurance Company(ies)"  
11 refuse to cover the loss and rescind the policy based on an immaterial provision or disclosure in  
12 the application and insurance policy. Had plaintiffs known of the true facts, plaintiffs would not  
13 have procured collision coverage through "Defendant Insurance Company(ies)"

14 The Defendant Insurance Companies further engaged in fraudulent, deceptive and  
15 unlawful conduct in knowingly allowing their insurance brokers and agents to fail to  
16 communicate to Defendant Insurance Companies the fact that their insureds during the policy  
17 period, had changed addresses and/or moved in with other individuals. In encouraging and/or  
18 allowing said business practice to occur, the Defendant Insurance Companies are therefore able  
19 to deny coverage on an immaterial representation (or alleged failure to represent) relative to  
20 coverage. In knowingly allowing said insurance brokers and agents to engage in said conduct,  
21 said Defendant Insurance Companies must be deemed to have imputed knowledge as to the facts  
22 communicated by their insured(s) to said brokers and agents.

23 That the policies of insurance issued by the defendants and each of them, also contained  
24 liability insurance. The defendants and each of them engaged in unfair business practices by  
25 rescinding said policy of insurance and denying coverage, by engaging in post claim  
26 underwriting.

27 117. In denying Plaintiff's(s) collision claim(s), the "Defendant Insurance  
28 Company(ies)" and each of them relied on immaterial provisions of the Disclosure form, the

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1 application and/or the insurance policy as grounds for not covering Plaintiff(s)' collision  
2 claim(s). "Defendant Insurance Company(ies)"s unilaterally attempted to rescind the contract by  
3 returning the premiums paid by Plaintiff(s). As a result of this fraudulent and unfair business  
4 practice, plaintiffs have been deprived of the benefits which were due and owing under the terms  
5 and conditions of the respective insurance policies.

6 118. At all times herein mentioned the "Defendant Insurance Company(ies)" were  
7 unjustly enriched at the expense of Plaintiff(s), by retaining money due and owing Plaintiff(s).

8 119. As a result of "Defendant Insurance Company(ies)" retaining the money (the  
9 amount of collision damage due and owing Plaintiff, Plaintiff is entitled to restitution and/or  
10 restitutionary disgorgement of the amount to reimburse Plaintiff for her collision loss.

11 **Comes now Plaintiff ASCENCION GALARZA, and alleges for a Third Cause of**  
12 **Action for Breach of Contract against Defendants National General Insurance Company,**  
13 **Integon National Insurance Company and Does 1-50, as follows:**

14 120. Plaintiff hereby incorporates by reference as though set forth in full herein,  
15 Paragraphs 1 through 10, inclusive. On or about December of 2017, Plaintiff was in an auto  
16 accident where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly  
17 thereafter, Plaintiff's automobile policy was rescinded for an alleged failure to disclose members  
18 of Plaintiff's household.

19 121. That at all times herein mentioned Plaintiff had in force and effect an automobile  
20 insurance policy with defendants.

21 122. The "Defendant Insurance Company(ies)" breached the herein alleged insurance  
22 contract by not paying to Plaintiff the benefits due and owing under said insurance policy.

23 123. As special damages flowing from "Defendant Insurance Company(ies)" breach of  
24 contract, Plaintiff has sustained economic damages for the collision damage sustained by and the  
25 value of his or her car. Plaintiff also sustained other economic damages in liability to third  
26 parties. Plaintiff has sustained further economic damages in that Plaintiff's attorney is  
27 prosecuting the present matter. Plaintiff has and will continue to incur attorney's fees in the  
28 prosecution of this cause of action.

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1           124. As a consequential result of the wrongful conduct of "Defendant Insurance  
2 Company(ies)", and each of them, Plaintiff has and or will sustain damages in an amount  
3 currently unknown to Plaintiff, but which will be shown according to proof at the time of trial.

4           **Comes now Plaintiff FRANKIE LEE TAYLOR JR., and alleges for a First Cause of**  
5 **Action for Bad Faith (Breach of the Implied Covenant of Good Faith and Fair Dealing)**  
6 **against Defendants National General Insurance Company and Integon National Insurance**  
7 **Company and Does 1-50, as follows:**

8           125. Plaintiffs hereby incorporates by reference as though set forth in full herein  
9 Paragraphs 1 through 10, inclusive. On or about March 13, 2018, Plaintiff was in an auto  
10 accident where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly  
11 thereafter, Plaintiff's automobile policy was rescinded for an alleged failure to disclose members  
12 of Plaintiff's household.

13           126. That at all times herein mentioned Plaintiff had in force and effect an automobile  
14 insurance policy with defendants.

15           127. Implied into the terms and conditions of the above referenced insurance policy is  
16 that "Defendant Insurance Company(ies)" would at all times deal with Plaintiff in good faith and  
17 with fair dealing. That at all times, the "Defendant Insurance Company(ies)" have not dealt with  
18 Plaintiff with good faith and fair dealing.

19           128. The above reasoning for refusing to pay Plaintiff's claim is fallacious and merely  
20 a ruse for "Defendant Insurance Company(ies)" refusal and failure to honor the terms and  
21 conditions of the policies of insurance. At all times herein mentioned, there was no material  
22 misrepresentation by Plaintiff and "Defendant Insurance Company(ies)" assertion thereof was  
23 done with the intent and purpose to avoid paying Plaintiff's claims, including their collision  
24 claim.

25           129. That at all times herein mention the policy of insurance issued by and  
26 underwritten by the defendants also contained liability coverage. The defendants and each of  
27 them engaged in post claim underwriting for purposes of rescinding the insurance policy and  
28 denying coverage

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1 130. By engaging in the above referenced conduct, the "Defendant Insurance  
2 Company(ies)" and each of them have breached the implied covenant of good faith and fair  
3 dealing and have acted in bad faith toward Plaintiff.

4 131. As a proximate result of the wrongful conduct of "Defendant Insurance  
5 Company(ies)," and each of them, Plaintiff has sustained economic damages in excess of the  
6 minimum amount required for jurisdiction of the above-entitled court and which will be shown  
7 according to proof at the time of trial.

8 132. The above referenced conduct was done willfully and maliciously by "Defendant  
9 Insurance Company(ies)." Their refusal to pay the insurance policy benefits was done in  
10 conscious disregard of Plaintiff's rights with full knowledge that under the insurance policy as  
11 written, they were obligated to pay for Plaintiff's losses, yet refused to do so, knowing that said  
12 refusal would cause injury to Plaintiff. The "Defendant Insurance Company(ies)" conduct is  
13 despicable in that "Defendant Insurance Company(ies)" knew they had an obligation to pay for  
14 Plaintiff's losses, yet in total derogation of Plaintiff's rights, refused to pay for said losses.

15 **Comes now Plaintiff FRANKIE LEE TAYLOR JR., and alleges for a Second Cause**  
16 **of Action for Unfair Business Practice against Defendants National General Insurance**  
17 **Company, Integon National Insurance Company, and Does 1-50, as follows:**

18 133. Plaintiff hereby incorporates by reference as though set forth in full herein,  
19 Paragraphs 1 through 10, inclusive. On or about March 13, 2018, Plaintiff was in an auto  
20 accident where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly  
21 thereafter, Plaintiff's automobile policy was rescinded for an alleged failure to disclose members  
22 of Plaintiff's household.

23 134. That at all times herein mentioned Plaintiff had in force and effect an automobile  
24 insurance policy with defendants.

25 135. At all times herein mentioned, "Defendant Insurance Company(ies)" have  
26 engaged in unfair, unlawful and/or fraudulent business practices in violation of Business and  
27 Professions Code, sections 17200 et seq. The "Defendant Insurance Company(ies)" issue and/or  
28 underwrite policies of automobile insurance which typically have minimum policy limits. Their

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1 insureds are typically high risk, unsophisticated consumers. The policies of insurance maintain  
2 exclusions and definitions not found in the typical automobile policy. At all times herein  
3 mentioned the "Defendant Insurance Company(ies)" engaged in the business practice whereby  
4 when dealing with first party collision claims, the "Defendant Insurance Company(ies)" in  
5 referencing their "Reduced Coverage Disclosure Summary," the application for insurance,  
6 and/or certain provisions in the insurance policy itself, deny coverage based on immaterial  
7 provisions of said Disclosure, application, and/or insurance policy. In conjunction therewith,  
8 "Defendant Insurance Company(ies)" unilaterally send a notice of rescission and return the  
9 premiums paid. Specifically, the "Defendant Insurance Company(ies)" and each of them issue  
10 and/or underwrite policies of automobile insurance providing Collision coverage. By the terms  
11 of the policies, the collision coverage is applicable only when an insured vehicle is being driven  
12 by the named insured. Following an accident in which the insured's(s') vehicle(s) is(are) being  
13 driven by the named insured(s), the "Defendant Insurance Company(ies)" deny coverage based  
14 on the insured's(s') failure to inform defendants that the named insured(s) lived with family  
15 members, relatives, and/or other household members. Said rationale for denying coverage is  
16 irrelevant and immaterial in that the collision coverage underwritten and/or issued is present only  
17 when the insured vehicle(s) is being driven by the named insured(s) (and not when being driven  
18 by a family member, relative, or other permissive user.). As a result of this fraudulent, unlawful  
19 or unfair business practice, the "Defendant Insurance Company(ies)" save millions of dollars by  
20 not paying covered claims.

21 The "Defendant Insurance Company(ies)" have engaged in the pattern and practice of  
22 rescinding insurance policies of otherwise covered claims based on the immaterial provisions of  
23 the application for insurance and/or the insurance policy. The policy and practice of "Defendant  
24 Insurance Company(ies)" is to cover collision damage under very restrictive policy provisions in  
25 which said collision damage is covered only if the collision involves a covered vehicle driven by  
26 a named insured. If the covered vehicle is not involved in an accident, the "Defendant Insurance  
27 Company(ies)" profit from receipt of the premium. If the covered vehicle is involved in an  
28 accident when being driven by a named insured the "Defendant Insurance Company(ies)"

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1 engage in post-accident underwriting by rescinding the policy on an immaterial representation in  
2 the application or an immaterial policy provision, saving themselves millions of dollars by not  
3 reimbursing their insured for a covered claim. The "Defendant Insurance  
4 Company(ies)" unlawfully and unfairly take advantage of their insureds all to the "Defendant  
5 Insurance Company(ies)" financial benefit.

6 The conduct as herein alleged is unfair within the meaning of Business and Professions  
7 Code sections 17200 et seq. By not covering collision damage pursuant to the terms of the  
8 insurance policy, and rescinding the policy, the plaintiffs have suffered substantial damages in  
9 that plaintiffs were not reimbursed for the collision damages to their vehicles which in almost all  
10 cases are in the thousands of dollars per vehicle. The injury to plaintiffs by "Defendant  
11 Insurance Company(ies)"s wrongful conduct is not outweighed by any countervailing benefits to  
12 consumers. There is no benefit to the consuming public for members of the public to pay  
13 insurance premiums to "Defendant Insurance Company(ies)" for collision damage for their  
14 vehicles, and then after making a claim, have the "Defendant Insurance Company(ies)" rescind  
15 the insurance policy based on an immaterial term in the policy or application. The net result of  
16 said conduct is that "Defendant Insurance Company(ies)" unfairly avoid their contractual  
17 responsibilities under the insurance policies all to the benefit of the "Defendant Insurance  
18 Company(ies)" and all to the detriment of their policy holders, the consuming public. Further,  
19 the injury to plaintiffs could not be reasonably avoided and was not foreseeable. At all times,  
20 most of the policies of insurance underwritten and/or issued by "Defendant Insurance  
21 Company(ies)" were written with the minimum required limits of 15/30/5. The insureds are high  
22 risk and need to pay premiums on a monthly basis. Few insurance companies are willing to  
23 underwrite or issue policies to individuals in plaintiffs' position. As a result, plaintiffs have few  
24 other choices in the insurance market to obtain legally mandated insurance. Additionally, the  
25 injury to plaintiffs as a result of "Defendant Insurance Company(ies)" wrongful conduct in  
26 rescinding the policies was not foreseeable. Here, plaintiffs and each of them purchased  
27 insurance policies covering collision damage. The policies were written by "Defendant  
28 Insurance Company(ies)" and understood by plaintiffs' to cover collision damage to the covered

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1 vehicle only when being driven by the named insured. In each instance alleged herein the  
2 covered vehicles were being driven by the named insureds; as such it was unforeseeable to  
3 plaintiffs that they would not be reimbursed for damage to their respective vehicles. After the  
4 collision however, defendants inquired of plaintiffs whether they respectively resided with a  
5 relative or other person. Based on this after the fact investigation the "Defendant Insurance  
6 Company(ies)" in each instance alleged herein, unforeseeably rescinded the contract based on an  
7 immaterial term irrelevant to the terms of coverage and contrary to the reasonable expectations  
8 of their insureds.

9 Additionally, said business practice is unlawful and contrary to the law as set forth in  
10 Insurance Code, section 359. The "Defendant Insurance Company(ies)" and each of them  
11 unlawfully rescind the insurance contracts based on alleged misrepresentations or concealment  
12 by the insureds, which are not material as required by Insurance Code section 359. The  
13 fallacious grounds used by "Defendant Insurance Company(ies)" to rescind said policies is  
14 wholly irrelevant and immaterial to the underwriting and or issuance of collision coverage, all in  
15 derogation of the express provisions of Insurance Code section 359.

16 Said business practice is fraudulent in that the "Defendant Insurance Company(ies)"  
17 represent to their insureds in both the application and in the insurance policy that the insured will  
18 be covered for collision damage in the event of an accident wherein the covered vehicle is being  
19 driven by the named insured. In reliance on these representations the insureds procure insurance  
20 from "Defendant Insurance Company(ies)" and continue to pay monthly premiums to  
21 "Defendant Insurance Company(ies)" on their insurance policies. The representations by the  
22 "Defendant Insurance Company(ies)" are in fact false; following an accident in which the  
23 covered vehicle is being driven by the named insured, the "Defendant Insurance Company(ies)"  
24 refuse to cover the loss and rescind the policy based on an immaterial provision or disclosure in  
25 the application and insurance policy. Had plaintiffs known of the true facts, plaintiffs would not  
26 have procured collision coverage through "Defendant Insurance Company(ies)"

27 The Defendant Insurance Companies further engaged in fraudulent, deceptive and  
28 unlawful conduct in knowingly allowing their insurance brokers and agents to fail to

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1 communicate to Defendant Insurance Companies the fact that their insureds during the policy  
2 period, had changed addresses and/or moved in with other individuals. In encouraging and/or  
3 allowing said business practice to occur, the Defendant Insurance Companies are therefore able  
4 to deny coverage on an immaterial representation (or alleged failure to represent) relative to  
5 coverage. In knowingly allowing said insurance brokers and agents to engage in said conduct,  
6 said Defendant Insurance Companies must be deemed to have imputed knowledge as to the facts  
7 communicated by their insured(s) to said brokers and agents.

8 That the policies of insurance issued by the defendants and each of them, also contained  
9 liability insurance. The defendants and each of them engaged in unfair business practices by  
10 rescinding said policy of insurance and denying coverage, by engaging in post claim  
11 underwriting.

12 136. In denying Plaintiff(s)' collision claim(s), the "Defendant Insurance  
13 Company(ies)" and each of them relied on immaterial provisions of the Disclosure form, the  
14 application and/or the insurance policy as grounds for not covering Plaintiff(s)' collision  
15 claim(s). "Defendant Insurance Company(ies)"s unilaterally attempted to rescind the contract by  
16 returning the premiums paid by Plaintiff(s). As a result of this fraudulent and unfair business  
17 practice, plaintiffs have been deprived of the benefits which were due and owing under the terms  
18 and conditions of the respective insurance policies.

19 137. At all times herein mentioned the "Defendant Insurance Company(ies)" were  
20 unjustly enriched at the expense of Plaintiff(s), by retaining money due and owing Plaintiff(s).

21 138. As a result of "Defendant Insurance Company(ies)" retaining the money (the  
22 amount of collision damage due and owing Plaintiff, Plaintiff is entitled to restitution and/or  
23 restitutionary disgorgement of the amount to reimburse Plaintiff for her collision loss.

24 **Comes now Plaintiff FRANKIE LEE TAYLOR JR., and alleges for a Third Cause**  
25 **of Action for Breach of Contract against Defendants National General Insurance**  
26 **Company, Integon National Insurance Company and Does 1-50, as follows:**

27 139. Plaintiff hereby incorporates by reference as though set forth in full herein,  
28 Paragraphs 1 through 10, inclusive. On or about March 13, 2018, Plaintiff was in an auto



1 accident where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly  
2 thereafter, Plaintiff's automobile policy was rescinded for an alleged failure to disclose members  
3 of Plaintiff's household.

4 140. That at all times herein mentioned Plaintiff had in force and effect an automobile  
5 insurance policy with defendants.

6 141. The "Defendant Insurance Company(ies)" breached the herein alleged insurance  
7 contract by not paying to Plaintiff the benefits due and owing under said insurance policy.

8 142. As special damages flowing from "Defendant Insurance Company(ies)" breach of  
9 contract, Plaintiff has sustained economic damages for the collision damage sustained by and the  
10 value of his or her car. Plaintiff also sustained other economic damages in liability to third  
11 parties. Plaintiff has sustained further economic damages in that Plaintiff's attorney is  
12 prosecuting the present matter. Plaintiff has and will continue to incur attorney's fees in the  
13 prosecution of this cause of action.

14 143. As a consequential result of the wrongful conduct of "Defendant Insurance  
15 Company(ies)", and each of them, Plaintiff has and or will sustain damages in an amount  
16 currently unknown to Plaintiff, but which will be shown according to proof at the time of trial.

17 **Comes now Plaintiff SUSANA MORENO ARIAS, and alleges for a First Cause of**  
18 **Action for Bad Faith (Breach of the Implied Covenant of Good Faith and Fair Dealing)**  
19 **against Defendants National General Insurance Company and Integon National Insurance**  
20 **Company and Does 1-50, as follows:**

21 144. Plaintiffs hereby incorporates by reference as though set forth in full herein  
22 Paragraphs 1 through 10, inclusive. On or about March 14, 2018, Plaintiff was in an auto  
23 accident where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly  
24 thereafter, Plaintiff's automobile policy was rescinded for an alleged failure to disclose members  
25 of Plaintiff's household.

26 145. That at all times herein mentioned Plaintiff had in force and effect an automobile  
27 insurance policy with defendants.

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1 146. Implied into the terms and conditions of the above referenced insurance policy is  
2 that "Defendant Insurance Company(ies)" would at all times deal with Plaintiff in good faith and  
3 with fair dealing. That at all times, the "Defendant Insurance Company(ies)" have not dealt with  
4 Plaintiff with good faith and fair dealing.

5 147. The above reasoning for refusing to pay Plaintiff's claim is fallacious and merely  
6 a ruse for "Defendant Insurance Company(ies)" refusal and failure to honor the terms and  
7 conditions of the policies of insurance. At all times herein mentioned, there was no material  
8 misrepresentation by Plaintiff and "Defendant Insurance Company(ies)" assertion thereof was  
9 done with the intent and purpose to avoid paying Plaintiff's claims, including their collision  
10 claim.

11 148. That at all times herein mention the policy of insurance issued by and  
12 underwritten by the defendants also contained liability coverage. The defendants and each of  
13 them engaged in post claim underwriting for purposes of rescinding the insurance policy and  
14 denying coverage

15 149. By engaging in the above referenced conduct, the "Defendant Insurance  
16 Company(ies)" and each of them have breached the implied covenant of good faith and fair  
17 dealing and have acted in bad faith toward Plaintiff.

18 150. As a proximate result of the wrongful conduct of "Defendant Insurance  
19 Company(ies)," and each of them, Plaintiff has sustained economic damages in excess of the  
20 minimum amount required for jurisdiction of the above-entitled court and which will be shown  
21 according to proof at the time of trial.

22 151. The above referenced conduct was done willfully and maliciously by "Defendant  
23 Insurance Company(ies)." Their refusal to pay the insurance policy benefits was done in  
24 conscious disregard of Plaintiff's rights with full knowledge that under the insurance policy as  
25 written, they were obligated to pay for Plaintiff's losses, yet refused to do so, knowing that said  
26 refusal would cause injury to Plaintiff. The "Defendant Insurance Company(ies)" conduct is  
27 despicable in that "Defendant Insurance Company(ies)" knew they had an obligation to pay for  
28 Plaintiff's losses, yet in total derogation of Plaintiff's rights, refused to pay for said losses.

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1 Comes now Plaintiff SUSANA MORENO ARIAS, and alleges for a Second Cause of  
2 Action for Unfair Business Practice against Defendants National General Insurance  
3 Company, Integon National Insurance Company, and Does 1-50, as follows:

4 152. Plaintiff hereby incorporates by reference as though set forth in full herein,  
5 Paragraphs 1 through 10, inclusive. On or about March 14, 2018, Plaintiff was in an auto  
6 accident where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly  
7 thereafter, Plaintiff's automobile policy was rescinded for an alleged failure to disclose members  
8 of Plaintiff's household.

9 153. That at all times herein mentioned Plaintiff had in force and effect an automobile  
10 insurance policy with defendants.

11 154. At all times herein mentioned, "Defendant Insurance Company(ies)" have  
12 engaged in unfair, unlawful and/or fraudulent business practices in violation of Business and  
13 Professions Code, sections 17200 et seq. The "Defendant Insurance Company(ies)" issue and/or  
14 underwrite policies of automobile insurance which typically have minimum policy limits. Their  
15 insureds are typically high risk, unsophisticated consumers. The policies of insurance maintain  
16 exclusions and definitions not found in the typical automobile policy. At all times herein  
17 mentioned the "Defendant Insurance Company(ies)" engaged in the business practice whereby  
18 when dealing with first party collision claims, the "Defendant Insurance Company(ies)" in  
19 referencing their "Reduced Coverage Disclosure Summary," the application for insurance,  
20 and/or certain provisions in the insurance policy itself, deny coverage based on immaterial  
21 provisions of said Disclosure, application, and/or insurance policy. In conjunction therewith,  
22 "Defendant Insurance Company(ies)" unilaterally send a notice of rescission and return the  
23 premiums paid. Specifically, the "Defendant Insurance Company(ies)" and each of them issue  
24 and/or underwrite policies of automobile insurance providing Collision coverage. By the terms  
25 of the policies, the collision coverage is applicable only when an insured vehicle is being driven  
26 by the named insured. Following an accident in which the insured's(s) vehicle(s) is(are) being  
27 driven by the named insured(s), the "Defendant Insurance Company(ies)" deny coverage based  
28 on the insured's(s) failure to inform defendants that the named insured(s) lived with family

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1 members, relatives, and/or other household members. Said rationale for denying coverage is  
2 irrelevant and immaterial in that the collision coverage underwritten and/or issued is present only  
3 when the insured vehicle(s) is being driven by the named insured(s) (and not when being driven  
4 by a family member, relative, or other permissive user.). As a result of this fraudulent, unlawful  
5 or unfair business practice, the "Defendant Insurance Company(ies)" save millions of dollars by  
6 not paying covered claims.

7 The "Defendant Insurance Company(ies)" have engaged in the pattern and practice of  
8 rescinding insurance policies of otherwise covered claims based on the immaterial provisions of  
9 the application for insurance and/or the insurance policy. The policy and practice of "Defendant  
10 Insurance Company(ies)" is to cover collision damage under very restrictive policy provisions in  
11 which said collision damage is covered only if the collision involves a covered vehicle driven by  
12 a named insured. If the covered vehicle is not involved in an accident, the "Defendant Insurance  
13 Company(ies)" profit from receipt of the premium. If the covered vehicle is involved in an  
14 accident when being driven by a named insured the "Defendant Insurance Company(ies)"  
15 engage in post-accident underwriting by rescinding the policy on an immaterial representation in  
16 the application or an immaterial policy provision, saving themselves millions of dollars by not  
17 reimbursing their insured for a covered claim. The "Defendant Insurance  
18 Company(ies)" unlawfully and unfairly take advantage of their insureds all to the "Defendant  
19 Insurance Company(ies)" financial benefit.

20 The conduct as herein alleged is unfair within the meaning of Business and Professions  
21 Code sections 17200 et seq. By not covering collision damage pursuant to the terms of the  
22 insurance policy, and rescinding the policy, the plaintiffs have suffered substantial damages in  
23 that plaintiffs were not reimbursed for the collision damages to their vehicles which in almost all  
24 cases are in the thousands of dollars per vehicle. The injury to plaintiffs by "Defendant  
25 Insurance Company(ies)"s wrongful conduct is not outweighed by any countervailing benefits to  
26 consumers. There is no benefit to the consuming public for members of the public to pay  
27 insurance premiums to "Defendant Insurance Company(ies)" for collision damage for their  
28 vehicles, and then after making a claim, have the "Defendant Insurance Company(ies)" rescind

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1 the insurance policy based on an immaterial term in the policy or application. The net result of  
2 said conduct is that "Defendant Insurance Company(ies)" unfairly avoid their contractual  
3 responsibilities under the insurance policies all to the benefit of the "Defendant Insurance  
4 Company(ies)" and all to the detriment of their policy holders, the consuming public. Further,  
5 the injury to plaintiffs could not be reasonably avoided and was not foreseeable. At all times,  
6 most of the policies of insurance underwritten and/or issued by "Defendant Insurance  
7 Company(ies)" were written with the minimum required limits of 15/30/5. The insureds are high  
8 risk and need to pay premiums on a monthly basis. Few insurance companies are willing to  
9 underwrite or issue policies to individuals in plaintiffs' position. As a result, plaintiffs have few  
10 other choices in the insurance market to obtain legally mandated insurance. Additionally, the  
11 injury to plaintiffs as a result of "Defendant Insurance Company(ies)" wrongful conduct in  
12 rescinding the policies was not foreseeable. Here, plaintiffs and each of them purchased  
13 insurance policies covering collision damage. The policies were written by "Defendant  
14 Insurance Company(ies)" and understood by plaintiffs' to cover collision damage to the covered  
15 vehicle only when being driven by the named insured. In each instance alleged herein the  
16 covered vehicles were being driven by the named insureds; as such it was unforeseeable to  
17 plaintiffs that they would not be reimbursed for damage to their respective vehicles. After the  
18 collision however, defendants inquired of plaintiffs whether they respectively resided with a  
19 relative or other person. Based on this after the fact investigation the "Defendant Insurance  
20 Company(ies)" in each instance alleged herein, unforeseeably rescinded the contract based on an  
21 immaterial term irrelevant to the terms of coverage and contrary to the reasonable expectations  
22 of their insureds.

23         Additionally, said business practice is unlawful and contrary to the law as set forth in  
24 Insurance Code, section 359. The "Defendant Insurance Company(ies)" and each of them  
25 unlawfully rescind the insurance contracts based on alleged misrepresentations or concealment  
26 by the insureds, which are not material as required by Insurance Code section 359. The  
27 fallacious grounds used by "Defendant Insurance Company(ies)" to rescind said policies is

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1 wholly irrelevant and immaterial to the underwriting and or issuance of collision coverage, all in  
2 derogation of the express provisions of Insurance Code section 359.

3 Said business practice is fraudulent in that the "Defendant Insurance Company(ies)"  
4 represent to their insureds in both the application and in the insurance policy that the insured will  
5 be covered for collision damage in the event of an accident wherein the covered vehicle is being  
6 driven by the named insured. In reliance on these representations the insureds procure insurance  
7 from "Defendant Insurance Company(ies)" and continue to pay monthly premiums to  
8 "Defendant Insurance Company(ies)" on their insurance policies. The representations by the  
9 "Defendant Insurance Company(ies)" are in fact false; following an accident in which the  
10 covered vehicle is being driven by the named insured, the "Defendant Insurance Company(ies)"  
11 refuse to cover the loss and rescind the policy based on an immaterial provision or disclosure in  
12 the application and insurance policy. Had plaintiffs known of the true facts, plaintiffs would not  
13 have procured collision coverage through "Defendant Insurance Company(ies)"

14 The Defendant Insurance Companies further engaged in fraudulent, deceptive and  
15 unlawful conduct in knowingly allowing their insurance brokers and agents to fail to  
16 communicate to Defendant Insurance Companies the fact that their insureds during the policy  
17 period, had changed addresses and/or moved in with other individuals. In encouraging and/or  
18 allowing said business practice to occur, the Defendant Insurance Companies are therefore able  
19 to deny coverage on an immaterial representation (or alleged failure to represent) relative to  
20 coverage. In knowingly allowing said insurance brokers and agents to engage in said conduct,  
21 said Defendant Insurance Companies must be deemed to have imputed knowledge as to the facts  
22 communicated by their insured(s) to said brokers and agents.

23 That the policies of insurance issued by the defendants and each of them, also contained  
24 liability insurance. The defendants and each of them engaged in unfair business practices by  
25 rescinding said policy of insurance and denying coverage, by engaging in post claim  
26 underwriting.

27 155. In denying Plaintiff's(s') collision claim(s), the "Defendant Insurance  
28 Company(ies)" and each of them relied on immaterial provisions of the Disclosure form, the

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1 application and/or the insurance policy as grounds for not covering Plaintiff(s)' collision  
2 claim(s). "Defendant Insurance Company(ies)"s unilaterally attempted to rescind the contract by  
3 returning the premiums paid by Plaintiff(s). As a result of this fraudulent and unfair business  
4 practice, plaintiffs have been deprived of the benefits which were due and owing under the terms  
5 and conditions of the respective insurance policies.

6 156. At all times herein mentioned the "Defendant Insurance Company(ies)" were  
7 unjustly enriched at the expense of Plaintiff(s), by retaining money due and owing Plaintiff(s).

8 157. As a result of "Defendant Insurance Company(ies)" retaining the money (the  
9 amount of collision damage due and owing Plaintiff, Plaintiff is entitled to restitution and/or  
10 restitutionary disgorgement of the amount to reimburse Plaintiff for her collision loss.

11 **Comes now Plaintiff SUSANA MORENO ARIAS, and alleges for a Third Cause of**  
12 **Action for Breach of Contract against Defendants National General Insurance Company,**  
13 **Integon National Insurance Company and Does 1-50, as follows:**

14 158. Plaintiff hereby incorporates by reference as though set forth in full herein,  
15 Paragraphs 1 through 10, inclusive. On or about March 14, 2018, Plaintiff was in an auto  
16 accident where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly  
17 thereafter, Plaintiff's automobile policy was rescinded for an alleged failure to disclose members  
18 of Plaintiff's household.

19 159. That at all times herein mentioned Plaintiff had in force and effect an automobile  
20 insurance policy with defendants.

21 160. The "Defendant Insurance Company(ies)" breached the herein alleged insurance  
22 contract by not paying to Plaintiff the benefits due and owing under said insurance policy.

23 161. As special damages flowing from "Defendant Insurance Company(ies)" breach of  
24 contract, Plaintiff has sustained economic damages for the collision damage sustained by and the  
25 value of his or her car. Plaintiff also sustained other economic damages in liability to third  
26 parties. Plaintiff has sustained further economic damages in that Plaintiff's attorney is  
27 prosecuting the present matter. Plaintiff has and will continue to incur attorney's fees in the  
28 prosecution of this cause of action.

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1 162. As a consequential result of the wrongful conduct of "Defendant Insurance  
2 Company(ies)", and each of them, Plaintiff has and or will sustain damages in an amount  
3 currently unknown to Plaintiff, but which will be shown according to proof at the time of trial.

4 **Comes now Plaintiff MARCO ARANGO JERONIMO, and alleges for a First Cause**  
5 **of Action for Bad Faith (Breach of the Implied Covenant of Good Faith and Fair Dealing)**  
6 **against Defendants National General Insurance Company and Integon National Insurance**  
7 **Company and Does 1-50, as follows:**

8 163. Plaintiffs hereby incorporates by reference as though set forth in full herein  
9 Paragraphs 1 through 10, inclusive. On or about March of 2018, Plaintiff was in an auto accident  
10 where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly thereafter,  
11 Plaintiff's automobile policy was rescinded for an alleged failure to disclose members of  
12 Plaintiff's household.

13 164. That at all times herein mentioned Plaintiff had in force and effect an automobile  
14 insurance policy with defendants.

15 165. Implied into the terms and conditions of the above referenced insurance policy is  
16 that "Defendant Insurance Company(ies)" would at all times deal with Plaintiff in good faith and  
17 with fair dealing. That at all times, the "Defendant Insurance Company(ies)" have not dealt with  
18 Plaintiff with good faith and fair dealing.

19 166. The above reasoning for refusing to pay Plaintiff's claim is fallacious and merely  
20 a ruse for "Defendant Insurance Company(ies)" refusal and failure to honor the terms and  
21 conditions of the policies of insurance. At all times herein mentioned, there was no material  
22 misrepresentation by Plaintiff and "Defendant Insurance Company(ies)" assertion thereof was  
23 done with the intent and purpose to avoid paying Plaintiff's claims, including their collision  
24 claim.

25 167. That at all times herein mention the policy of insurance issued by and  
26 underwritten by the defendants also contained liability coverage. The defendants and each of  
27 them engaged in post claim underwriting for purposes of rescinding the insurance policy and  
28 denying coverage



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1 168. By engaging in the above referenced conduct, the "Defendant Insurance  
2 Company(ies)" and each of them have breached the implied covenant of good faith and fair  
3 dealing and have acted in bad faith toward Plaintiff.

4 169. As a proximate result of the wrongful conduct of "Defendant Insurance  
5 Company(ies)," and each of them, Plaintiff has sustained economic damages in excess of the  
6 minimum amount required for jurisdiction of the above-entitled court and which will be shown  
7 according to proof at the time of trial.

8 170. The above referenced conduct was done willfully and maliciously by "Defendant  
9 Insurance Company(ies)." Their refusal to pay the insurance policy benefits was done in  
10 conscious disregard of Plaintiff's rights with full knowledge that under the insurance policy as  
11 written, they were obligated to pay for Plaintiff's losses, yet refused to do so, knowing that said  
12 refusal would cause injury to Plaintiff. The "Defendant Insurance Company(ies)" conduct is  
13 despicable in that "Defendant Insurance Company(ies)" knew they had an obligation to pay for  
14 Plaintiff's losses, yet in total derogation of Plaintiff's rights, refused to pay for said losses.

15 **Comes now Plaintiff MARCO ARANGO JERONIMO, and alleges for a Second**  
16 **Cause of Action for Unfair Business Practice against Defendants National General**  
17 **Insurance Company, Integon National Insurance Company, and Does 1-50, as follows:**

18 171. Plaintiff hereby incorporates by reference as though set forth in full herein,  
19 Paragraphs 1 through 10, inclusive. On or about March of 2018, Plaintiff was in an auto accident  
20 where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly thereafter,  
21 Plaintiff's automobile policy was rescinded for an alleged failure to disclose members of  
22 Plaintiff's household.

23 172. That at all times herein mentioned Plaintiff had in force and effect an automobile  
24 insurance policy with defendants.

25 173. At all times herein mentioned, "Defendant Insurance Company(ies)" have  
26 engaged in unfair, unlawful and/or fraudulent business practices in violation of Business and  
27 Professions Code, sections 17200 et seq. The "Defendant Insurance Company(ies)" issue and/or  
28 underwrite policies of automobile insurance which typically have minimum policy limits. Their

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1 insureds are typically high risk, unsophisticated consumers. The policies of insurance maintain  
2 exclusions and definitions not found in the typical automobile policy. At all times herein  
3 mentioned the "Defendant Insurance Company(ies)" engaged in the business practice whereby  
4 when dealing with first party collision claims, the "Defendant Insurance Company(ies)" in  
5 referencing their "Reduced Coverage Disclosure Summary," the application for insurance,  
6 and/or certain provisions in the insurance policy itself, deny coverage based on immaterial  
7 provisions of said Disclosure, application, and/or insurance policy. In conjunction therewith,  
8 "Defendant Insurance Company(ies)" unilaterally send a notice of rescission and return the  
9 premiums paid. Specifically, the "Defendant Insurance Company(ies)" and each of them issue  
10 and/or underwrite policies of automobile insurance providing Collision coverage. By the terms  
11 of the policies, the collision coverage is applicable only when an insured vehicle is being driven  
12 by the named insured. Following an accident in which the insured's(s') vehicle(s) is(are) being  
13 driven by the named insured(s), the "Defendant Insurance Company(ies)" deny coverage based  
14 on the insured's(s') failure to inform defendants that the named insured(s) lived with family  
15 members, relatives, and/or other household members. Said rationale for denying coverage is  
16 irrelevant and immaterial in that the collision coverage underwritten and/or issued is present only  
17 when the insured vehicle(s) is being driven by the named insured(s) (and not when being driven  
18 by a family member, relative, or other permissive user.). As a result of this fraudulent, unlawful  
19 or unfair business practice, the "Defendant Insurance Company(ies)" save millions of dollars by  
20 not paying covered claims.

21 The "Defendant Insurance Company(ies)" have engaged in the pattern and practice of  
22 rescinding insurance policies of otherwise covered claims based on the immaterial provisions of  
23 the application for insurance and/or the insurance policy. The policy and practice of "Defendant  
24 Insurance Company(ies)" is to cover collision damage under very restrictive policy provisions in  
25 which said collision damage is covered only if the collision involves a covered vehicle driven by  
26 a named insured. If the covered vehicle is not involved in an accident, the "Defendant Insurance  
27 Company(ies)" profit from receipt of the premium. If the covered vehicle is involved in an  
28 accident when being driven by a named insured the "Defendant Insurance Company(ies)"

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1 engage in post-accident underwriting by rescinding the policy on an immaterial representation in  
2 the application or an immaterial policy provision, saving themselves millions of dollars by not  
3 reimbursing their insured for a covered claim. The "Defendant Insurance  
4 Company(ies)" unlawfully and unfairly take advantage of their insureds all to the "Defendant  
5 Insurance Company(ies)" financial benefit.

6 The conduct as herein alleged is unfair within the meaning of Business and Professions  
7 Code sections 17200 et seq. By not covering collision damage pursuant to the terms of the  
8 insurance policy, and rescinding the policy, the plaintiffs have suffered substantial damages in  
9 that plaintiffs were not reimbursed for the collision damages to their vehicles which in almost all  
10 cases are in the thousands of dollars per vehicle. The injury to plaintiffs by "Defendant  
11 Insurance Company(ies)"s wrongful conduct is not outweighed by any countervailing benefits to  
12 consumers. There is no benefit to the consuming public for members of the public to pay  
13 insurance premiums to "Defendant Insurance Company(ies)" for collision damage for their  
14 vehicles, and then after making a claim, have the "Defendant Insurance Company(ies)" rescind  
15 the insurance policy based on an immaterial term in the policy or application. The net result of  
16 said conduct is that "Defendant Insurance Company(ies)" unfairly avoid their contractual  
17 responsibilities under the insurance policies all to the benefit of the "Defendant Insurance  
18 Company(ies)" and all to the detriment of their policy holders, the consuming public. Further,  
19 the injury to plaintiffs could not be reasonably avoided and was not foreseeable. At all times,  
20 most of the policies of insurance underwritten and/or issued by "Defendant Insurance  
21 Company(ies)" were written with the minimum required limits of 15/30/5. The insureds are high  
22 risk and need to pay premiums on a monthly basis. Few insurance companies are willing to  
23 underwrite or issue policies to individuals in plaintiffs' position. As a result, plaintiffs have few  
24 other choices in the insurance market to obtain legally mandated insurance. Additionally, the  
25 injury to plaintiffs as a result of "Defendant Insurance Company(ies)" wrongful conduct in  
26 rescinding the policies was not foreseeable. Here, plaintiffs and each of them purchased  
27 insurance policies covering collision damage. The policies were written by "Defendant  
28 Insurance Company(ies)" and understood by plaintiffs' to cover collision damage to the covered

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1 vehicle only when being driven by the named insured. In each instance alleged herein the  
2 covered vehicles were being driven by the named insureds; as such it was unforeseeable to  
3 plaintiffs that they would not be reimbursed for damage to their respective vehicles. After the  
4 collision however, defendants inquired of plaintiffs whether they respectively resided with a  
5 relative or other person. Based on this after the fact investigation the "Defendant Insurance  
6 Company(ies)" in each instance alleged herein, unforeseeably rescinded the contract based on an  
7 immaterial term irrelevant to the terms of coverage and contrary to the reasonable expectations  
8 of their insureds.

9 Additionally, said business practice is unlawful and contrary to the law as set forth in  
10 Insurance Code, section 359. The "Defendant Insurance Company(ies)" and each of them  
11 unlawfully rescind the insurance contracts based on alleged misrepresentations or concealment  
12 by the insureds, which are not material as required by Insurance Code section 359. The  
13 fallacious grounds used by "Defendant Insurance Company(ies)" to rescind said policies is  
14 wholly irrelevant and immaterial to the underwriting and or issuance of collision coverage, all in  
15 derogation of the express provisions of Insurance Code section 359.

16 Said business practice is fraudulent in that the "Defendant Insurance Company(ies)"  
17 represent to their insureds in both the application and in the insurance policy that the insured will  
18 be covered for collision damage in the event of an accident wherein the covered vehicle is being  
19 driven by the named insured. In reliance on these representations the insureds procure insurance  
20 from "Defendant Insurance Company(ies)" and continue to pay monthly premiums to  
21 "Defendant Insurance Company(ies)" on their insurance policies. The representations by the  
22 "Defendant Insurance Company(ies)" are in fact false; following an accident in which the  
23 covered vehicle is being driven by the named insured, the "Defendant Insurance Company(ies)"  
24 refuse to cover the loss and rescind the policy based on an immaterial provision or disclosure in  
25 the application and insurance policy. Had plaintiffs known of the true facts, plaintiffs would not  
26 have procured collision coverage through "Defendant Insurance Company(ies)"

27 The Defendant Insurance Companies further engaged in fraudulent, deceptive and  
28 unlawful conduct in knowingly allowing their insurance brokers and agents to fail to

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1 communicate to Defendant Insurance Companies the fact that their insureds during the policy  
2 period, had changed addresses and/or moved in with other individuals. In encouraging and/or  
3 allowing said business practice to occur, the Defendant Insurance Companies are therefore able  
4 to deny coverage on an immaterial representation (or alleged failure to represent) relative to  
5 coverage. In knowingly allowing said insurance brokers and agents to engage in said conduct,  
6 said Defendant Insurance Companies must be deemed to have imputed knowledge as to the facts  
7 communicated by their insured(s) to said brokers and agents.

8 That the policies of insurance issued by the defendants and each of them, also contained  
9 liability insurance. The defendants and each of them engaged in unfair business practices by  
10 rescinding said policy of insurance and denying coverage, by engaging in post claim  
11 underwriting.

12 174. In denying Plaintiff(s)' collision claim(s), the "Defendant Insurance  
13 Company(ies)" and each of them relied on immaterial provisions of the Disclosure form, the  
14 application and/or the insurance policy as grounds for not covering Plaintiff(s)' collision  
15 claim(s). "Defendant Insurance Company(ies)"s unilaterally attempted to rescind the contract by  
16 returning the premiums paid by Plaintiff(s). As a result of this fraudulent and unfair business  
17 practice, plaintiffs have been deprived of the benefits which were due and owing under the terms  
18 and conditions of the respective insurance policies.

19 175. At all times herein mentioned the "Defendant Insurance Company(ies)" were  
20 unjustly enriched at the expense of Plaintiff(s), by retaining money due and owing Plaintiff(s).

21 176. As a result of "Defendant Insurance Company(ies)" retaining the money (the  
22 amount of collision damage due and owing Plaintiff, Plaintiff is entitled to restitution and/or  
23 restitutionary disgorgement of the amount to reimburse Plaintiff for her collision loss.

24 **Comes now Plaintiff MARCO ARANGO JERONIMO, and alleges for a Third**  
25 **Cause of Action for Breach of Contract against Defendants National General Insurance**  
26 **Company, Integon National Insurance Company and Does 1-50, as follows:**

27 177. Plaintiff hereby incorporates by reference as though set forth in full herein,  
28 Paragraphs 1 through 10, inclusive. On or about March of 2018, Plaintiff was in an auto accident

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1 where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly thereafter,  
2 Plaintiff's automobile policy was rescinded for an alleged failure to disclose members of  
3 Plaintiff's household.

4 178. That at all times herein mentioned Plaintiff had in force and effect an automobile  
5 insurance policy with defendants.

6 179. The "Defendant Insurance Company(ies)" breached the herein alleged insurance  
7 contract by not paying to Plaintiff the benefits due and owing under said insurance policy.

8 180. As special damages flowing from "Defendant Insurance Company(ies)" breach of  
9 contract, Plaintiff has sustained economic damages for the collision damage sustained by and the  
10 value of his or her car. Plaintiff also sustained other economic damages in liability to third  
11 parties. Plaintiff has sustained further economic damages in that Plaintiff's attorney is  
12 prosecuting the present matter. Plaintiff has and will continue to incur attorney's fees in the  
13 prosecution of this cause of action.

14 181. As a consequential result of the wrongful conduct of "Defendant Insurance  
15 Company(ies)", and each of them, Plaintiff has and or will sustain damages in an amount  
16 currently unknown to Plaintiff, but which will be shown according to proof at the time of trial.

17 **Comes now Plaintiff JULIE MILLER, and alleges for a First Cause of Action for**  
18 **Bad Faith (Breach of the Implied Covenant of Good Faith and Fair Dealing) against**  
19 **Defendants National General Insurance Company and Integon National Insurance**  
20 **Company and Does 1-50, as follows:**

21 182. Plaintiffs hereby incorporates by reference as though set forth in full herein  
22 Paragraphs 1 through 10, inclusive. On or about June 18, 2018, Plaintiff was in an auto accident  
23 where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly thereafter,  
24 Plaintiff's automobile policy was rescinded for an alleged failure to disclose members of  
25 Plaintiff's household.

26 183. That at all times herein mentioned Plaintiff had in force and effect an automobile  
27 insurance policy with defendants.

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1 184. Implied into the terms and conditions of the above referenced insurance policy is  
2 that "Defendant Insurance Company(ies)" would at all times deal with Plaintiff in good faith and  
3 with fair dealing. That at all times, the "Defendant Insurance Company(ies)" have not dealt with  
4 Plaintiff with good faith and fair dealing.

5 185. The above reasoning for refusing to pay Plaintiff's claim is fallacious and merely  
6 a ruse for "Defendant Insurance Company(ies)" refusal and failure to honor the terms and  
7 conditions of the policies of insurance. At all times herein mentioned, there was no material  
8 misrepresentation by Plaintiff and "Defendant Insurance Company(ies)" assertion thereof was  
9 done with the intent and purpose to avoid paying Plaintiff's claims, including their collision  
10 claim.

11 186. That at all times herein mention the policy of insurance issued by and  
12 underwritten by the defendants also contained liability coverage. The defendants and each of  
13 them engaged in post claim underwriting for purposes of rescinding the insurance policy and  
14 denying coverage

15 187. By engaging in the above referenced conduct, the "Defendant Insurance  
16 Company(ies)" and each of them have breached the implied covenant of good faith and fair  
17 dealing and have acted in bad faith toward Plaintiff.

18 188. As a proximate result of the wrongful conduct of "Defendant Insurance  
19 Company(ies)," and each of them, Plaintiff has sustained economic damages in excess of the  
20 minimum amount required for jurisdiction of the above-entitled court and which will be shown  
21 according to proof at the time of trial.

22 189. The above referenced conduct was done willfully and maliciously by "Defendant  
23 Insurance Company(ies)." Their refusal to pay the insurance policy benefits was done in  
24 conscious disregard of Plaintiff's rights with full knowledge that under the insurance policy as  
25 written, they were obligated to pay for Plaintiff's losses, yet refused to do so, knowing that said  
26 refusal would cause injury to Plaintiff. The "Defendant Insurance Company(ies)" conduct is  
27 despicable in that "Defendant Insurance Company(ies)" knew they had an obligation to pay for  
28 Plaintiff's losses, yet in total derogation of Plaintiff's rights, refused to pay for said losses.

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1 Comes now Plaintiff JULIE MILLER, and alleges for a Second Cause of Action for  
2 Unfair Business Practice against Defendants National General Insurance Company,  
3 Integon National Insurance Company, and Does 1-50, as follows:

4 190. Plaintiff hereby incorporates by reference as though set forth in full herein,  
5 Paragraphs 1 through 10, inclusive. On or about June 18, 2018, Plaintiff was in an auto accident  
6 where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly thereafter,  
7 Plaintiff's automobile policy was rescinded for an alleged failure to disclose members of  
8 Plaintiff's household.

9 191. That at all times herein mentioned Plaintiff had in force and effect an automobile  
10 insurance policy with defendants.

11 192. At all times herein mentioned, "Defendant Insurance Company(ies)" have  
12 engaged in unfair, unlawful and/or fraudulent business practices in violation of Business and  
13 Professions Code, sections 17200 et seq. The "Defendant Insurance Company(ies)" issue and/or  
14 underwrite policies of automobile insurance which typically have minimum policy limits. Their  
15 insureds are typically high risk, unsophisticated consumers. The policies of insurance maintain  
16 exclusions and definitions not found in the typical automobile policy. At all times herein  
17 mentioned the "Defendant Insurance Company(ies)" engaged in the business practice whereby  
18 when dealing with first party collision claims, the "Defendant Insurance Company(ies)" in  
19 referencing their "Reduced Coverage Disclosure Summary," the application for insurance,  
20 and/or certain provisions in the insurance policy itself, deny coverage based on immaterial  
21 provisions of said Disclosure, application, and/or insurance policy. In conjunction therewith,  
22 "Defendant Insurance Company(ies)" unilaterally send a notice of rescission and return the  
23 premiums paid. Specifically, the "Defendant Insurance Company(ies)" and each of them issue  
24 and/or underwrite policies of automobile insurance providing Collision coverage. By the terms  
25 of the policies, the collision coverage is applicable only when an insured vehicle is being driven  
26 by the named insured. Following an accident in which the insured's(s) vehicle(s) is(are) being  
27 driven by the named insured(s), the "Defendant Insurance Company(ies)" deny coverage based  
28 on the insured's(s) failure to inform defendants that the named insured(s) lived with family



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1 members, relatives, and/or other household members. Said rationale for denying coverage is  
2 irrelevant and immaterial in that the collision coverage underwritten and/or issued is present only  
3 when the insured vehicle(s) is being driven by the named insured(s) (and not when being driven  
4 by a family member, relative, or other permissive user.). As a result of this fraudulent, unlawful  
5 or unfair business practice, the "Defendant Insurance Company(ies)" save millions of dollars by  
6 not paying covered claims.

7 The "Defendant Insurance Company(ies)" have engaged in the pattern and practice of  
8 rescinding insurance policies of otherwise covered claims based on the immaterial provisions of  
9 the application for insurance and/or the insurance policy. The policy and practice of "Defendant  
10 Insurance Company(ies)" is to cover collision damage under very restrictive policy provisions in  
11 which said collision damage is covered only if the collision involves a covered vehicle driven by  
12 a named insured. If the covered vehicle is not involved in an accident, the "Defendant Insurance  
13 Company(ies)" profit from receipt of the premium. If the covered vehicle is involved in an  
14 accident when being driven by a named insured the "Defendant Insurance Company(ies)"  
15 engage in post-accident underwriting by rescinding the policy on an immaterial representation in  
16 the application or an immaterial policy provision, saving themselves millions of dollars by not  
17 reimbursing their insured for a covered claim. The "Defendant Insurance  
18 Company(ies)" unlawfully and unfairly take advantage of their insureds all to the "Defendant  
19 Insurance Company(ies)" financial benefit.

20 The conduct as herein alleged is unfair within the meaning of Business and Professions  
21 Code sections 17200 et seq. By not covering collision damage pursuant to the terms of the  
22 insurance policy, and rescinding the policy, the plaintiffs have suffered substantial damages in  
23 that plaintiffs were not reimbursed for the collision damages to their vehicles which in almost all  
24 cases are in the thousands of dollars per vehicle. The injury to plaintiffs by "Defendant  
25 Insurance Company(ies)"s wrongful conduct is not outweighed by any countervailing benefits to  
26 consumers. There is no benefit to the consuming public for members of the public to pay  
27 insurance premiums to "Defendant Insurance Company(ies)" for collision damage for their  
28 vehicles, and then after making a claim, have the "Defendant Insurance Company(ies)" rescind

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1 the insurance policy based on an immaterial term in the policy or application. The net result of  
2 said conduct is that "Defendant Insurance Company(ies)" unfairly avoid their contractual  
3 responsibilities under the insurance policies all to the benefit of the "Defendant Insurance  
4 Company(ies)" and all to the detriment of their policy holders, the consuming public. Further,  
5 the injury to plaintiffs could not be reasonably avoided and was not foreseeable. At all times,  
6 most of the policies of insurance underwritten and/or issued by "Defendant Insurance  
7 Company(ies)" were written with the minimum required limits of 15/30/5. The insureds are high  
8 risk and need to pay premiums on a monthly basis. Few insurance companies are willing to  
9 underwrite or issue policies to individuals in plaintiffs' position. As a result, plaintiffs have few  
10 other choices in the insurance market to obtain legally mandated insurance. Additionally, the  
11 injury to plaintiffs as a result of "Defendant Insurance Company(ies)" wrongful conduct in  
12 rescinding the policies was not foreseeable. Here, plaintiffs and each of them purchased  
13 insurance policies covering collision damage. The policies were written by "Defendant  
14 Insurance Company(ies)" and understood by plaintiffs' to cover collision damage to the covered  
15 vehicle only when being driven by the named insured. In each instance alleged herein the  
16 covered vehicles were being driven by the named insureds; as such it was unforeseeable to  
17 plaintiffs that they would not be reimbursed for damage to their respective vehicles. After the  
18 collision however, defendants inquired of plaintiffs whether they respectively resided with a  
19 relative or other person. Based on this after the fact investigation the "Defendant Insurance  
20 Company(ies)" in each instance alleged herein, unforeseeably rescinded the contract based on an  
21 immaterial term irrelevant to the terms of coverage and contrary to the reasonable expectations  
22 of their insureds.

23         Additionally, said business practice is unlawful and contrary to the law as set forth in  
24 Insurance Code, section 359. The "Defendant Insurance Company(ies)" and each of them  
25 unlawfully rescind the insurance contracts based on alleged misrepresentations or concealment  
26 by the insureds, which are not material as required by Insurance Code section 359. The  
27 fallacious grounds used by "Defendant Insurance Company(ies)" to rescind said policies is

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1 wholly irrelevant and immaterial to the underwriting and or issuance of collision coverage, all in  
2 derogation of the express provisions of Insurance Code section 359.

3 Said business practice is fraudulent in that the "Defendant Insurance Company(ies)"  
4 represent to their insureds in both the application and in the insurance policy that the insured will  
5 be covered for collision damage in the event of an accident wherein the covered vehicle is being  
6 driven by the named insured. In reliance on these representations the insureds procure insurance  
7 from "Defendant Insurance Company(ies)" and continue to pay monthly premiums to  
8 "Defendant Insurance Company(ies)" on their insurance policies. The representations by the  
9 "Defendant Insurance Company(ies)" are in fact false; following an accident in which the  
10 covered vehicle is being driven by the named insured, the "Defendant Insurance Company(ies)"  
11 refuse to cover the loss and rescind the policy based on an immaterial provision or disclosure in  
12 the application and insurance policy. Had plaintiffs known of the true facts, plaintiffs would not  
13 have procured collision coverage through "Defendant Insurance Company(ies)"

14 The Defendant Insurance Companies further engaged in fraudulent, deceptive and  
15 unlawful conduct in knowingly allowing their insurance brokers and agents to fail to  
16 communicate to Defendant Insurance Companies the fact that their insureds during the policy  
17 period, had changed addresses and/or moved in with other individuals. In encouraging and/or  
18 allowing said business practice to occur, the Defendant Insurance Companies are therefore able  
19 to deny coverage on an immaterial representation (or alleged failure to represent) relative to  
20 coverage. In knowingly allowing said insurance brokers and agents to engage in said conduct,  
21 said Defendant Insurance Companies must be deemed to have imputed knowledge as to the facts  
22 communicated by their insured(s) to said brokers and agents.

23 That the policies of insurance issued by the defendants and each of them, also contained  
24 liability insurance. The defendants and each of them engaged in unfair business practices by  
25 rescinding said policy of insurance and denying coverage, by engaging in post claim  
26 underwriting.

27 193. In denying Plaintiff's(s) collision claim(s), the "Defendant Insurance  
28 Company(ies)" and each of them relied on immaterial provisions of the Disclosure form, the

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1 application and/or the insurance policy as grounds for not covering Plaintiff(s)' collision  
2 claim(s). "Defendant Insurance Company(ies)"s unilaterally attempted to rescind the contract by  
3 returning the premiums paid by Plaintiff(s). As a result of this fraudulent and unfair business  
4 practice, plaintiffs have been deprived of the benefits which were due and owing under the terms  
5 and conditions of the respective insurance policies.

6 194. At all times herein mentioned the "Defendant Insurance Company(ies)" were  
7 unjustly enriched at the expense of Plaintiff(s), by retaining money due and owing Plaintiff(s).

8 195. As a result of "Defendant Insurance Company(ies)" retaining the money (the  
9 amount of collision damage due and owing Plaintiff, Plaintiff is entitled to restitution and/or  
10 restitutionary disgorgement of the amount to reimburse Plaintiff for her collision loss.

11 **Comes now Plaintiff JULIE MILLER, and alleges for a Third Cause of Action for**  
12 **Breach of Contract against Defendants National General Insurance Company, Integon**  
13 **National Insurance Company and Does 1-50, as follows:**

14 196. Plaintiff hereby incorporates by reference as though set forth in full herein,  
15 Paragraphs 1 through 10, inclusive. On or about June 18, 2018, Plaintiff was in an auto accident  
16 where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly thereafter,  
17 Plaintiff's automobile policy was rescinded for an alleged failure to disclose members of  
18 Plaintiff's household.

19 197. That at all times herein mentioned Plaintiff had in force and effect an automobile  
20 insurance policy with defendants.

21 198. The "Defendant Insurance Company(ies)" breached the herein alleged insurance  
22 contract by not paying to Plaintiff the benefits due and owing under said insurance policy.

23 199. As special damages flowing from "Defendant Insurance Company(ies)" breach of  
24 contract, Plaintiff has sustained economic damages for the collision damage sustained by and the  
25 value of his or her car. Plaintiff also sustained other economic damages in liability to third  
26 parties. Plaintiff has sustained further economic damages in that Plaintiff's attorney is  
27 prosecuting the present matter. Plaintiff has and will continue to incur attorney's fees in the  
28 prosecution of this cause of action.

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1           200. As a consequential result of the wrongful conduct of "Defendant Insurance  
2 Company(ies)", and each of them, Plaintiff has and or will sustain damages in an amount  
3 currently unknown to Plaintiff, but which will be shown according to proof at the time of trial.

4           **Comes now Plaintiff RICARDO RUIZ, and alleges for a First Cause of Action for**  
5 **Bad Faith (Breach of the Implied Covenant of Good Faith and Fair Dealing) against**  
6 **Defendants National General Insurance Company and Integon National Insurance**  
7 **Company and Does 1-50, as follows:**

8           201. Plaintiffs hereby incorporates by reference as though set forth in full herein  
9 Paragraphs 1 through 10, inclusive. On or about August of 2018, Plaintiff was in an auto  
10 accident where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly  
11 thereafter, Plaintiff's automobile policy was rescinded for an alleged failure to disclose members  
12 of Plaintiff's household.

13           202. That at all times herein mentioned Plaintiff had in force and effect an automobile  
14 insurance policy with defendants.

15           203. Implied into the terms and conditions of the above referenced insurance policy is  
16 that "Defendant Insurance Company(ies)" would at all times deal with Plaintiff in good faith and  
17 with fair dealing. That at all times, the "Defendant Insurance Company(ies)" have not dealt with  
18 Plaintiff with good faith and fair dealing.

19           204. The above reasoning for refusing to pay Plaintiff's claim is fallacious and merely  
20 a ruse for "Defendant Insurance Company(ies)" refusal and failure to honor the terms and  
21 conditions of the policies of insurance. At all times herein mentioned, there was no material  
22 misrepresentation by Plaintiff and "Defendant Insurance Company(ies)" assertion thereof was  
23 done with the intent and purpose to avoid paying Plaintiff's claims, including their collision  
24 claim.

25           205. That at all times herein mention the policy of insurance issued by and  
26 underwritten by the defendants also contained liability coverage. The defendants and each of  
27 them engaged in post claim underwriting for purposes of rescinding the insurance policy and  
28 denying coverage

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1           206. By engaging in the above referenced conduct, the "Defendant Insurance  
2 Company(ies)" and each of them have breached the implied covenant of good faith and fair  
3 dealing and have acted in bad faith toward Plaintiff.

4           207. As a proximate result of the wrongful conduct of "Defendant Insurance  
5 Company(ies)," and each of them, Plaintiff has sustained economic damages in excess of the  
6 minimum amount required for jurisdiction of the above-entitled court and which will be shown  
7 according to proof at the time of trial.

8           208. The above referenced conduct was done willfully and maliciously by "Defendant  
9 Insurance Company(ies)." Their refusal to pay the insurance policy benefits was done in  
10 conscious disregard of Plaintiff's rights with full knowledge that under the insurance policy as  
11 written, they were obligated to pay for Plaintiff's losses, yet refused to do so, knowing that said  
12 refusal would cause injury to Plaintiff. The "Defendant Insurance Company(ies)" conduct is  
13 despicable in that "Defendant Insurance Company(ies)" knew they had an obligation to pay for  
14 Plaintiff's losses, yet in total derogation of Plaintiff's rights, refused to pay for said losses.

15           **Comes now Plaintiff RICARDO RUIZ, and alleges for a Second Cause of Action for**  
16 **Unfair Business Practice against Defendants National General Insurance Company,**  
17 **Integon National Insurance Company, and Does 1-50, as follows:**

18           209. Plaintiff hereby incorporates by reference as though set forth in full herein,  
19 Paragraphs 1 through 10, inclusive. On or about August of 2018, Plaintiff was in an auto  
20 accident where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly  
21 thereafter, Plaintiff's automobile policy was rescinded for an alleged failure to disclose members  
22 of Plaintiff's household.

23           210. That at all times herein mentioned Plaintiff had in force and effect an automobile  
24 insurance policy with defendants.

25           211. At all times herein mentioned, "Defendant Insurance Company(ies)" have  
26 engaged in unfair, unlawful and/or fraudulent business practices in violation of Business and  
27 Professions Code, sections 17200 et seq. The "Defendant Insurance Company(ies)" issue and/or  
28 underwrite policies of automobile insurance which typically have minimum policy limits. Their

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1 insureds are typically high risk, unsophisticated consumers. The policies of insurance maintain  
2 exclusions and definitions not found in the typical automobile policy. At all times herein  
3 mentioned the "Defendant Insurance Company(ies)" engaged in the business practice whereby  
4 when dealing with first party collision claims, the "Defendant Insurance Company(ies)" in  
5 referencing their "Reduced Coverage Disclosure Summary," the application for insurance,  
6 and/or certain provisions in the insurance policy itself, deny coverage based on immaterial  
7 provisions of said Disclosure, application, and/or insurance policy. In conjunction therewith,  
8 "Defendant Insurance Company(ies)" unilaterally send a notice of rescission and return the  
9 premiums paid. Specifically, the "Defendant Insurance Company(ies)" and each of them issue  
10 and/or underwrite policies of automobile insurance providing Collision coverage. By the terms  
11 of the policies, the collision coverage is applicable only when an insured vehicle is being driven  
12 by the named insured. Following an accident in which the insured's(s') vehicle(s) is(are) being  
13 driven by the named insured(s), the "Defendant Insurance Company(ies)" deny coverage based  
14 on the insured's(s') failure to inform defendants that the named insured(s) lived with family  
15 members, relatives, and/or other household members. Said rationale for denying coverage is  
16 irrelevant and immaterial in that the collision coverage underwritten and/or issued is present only  
17 when the insured vehicle(s) is being driven by the named insured(s) (and not when being driven  
18 by a family member, relative, or other permissive user.). As a result of this fraudulent, unlawful  
19 or unfair business practice, the "Defendant Insurance Company(ies)" save millions of dollars by  
20 not paying covered claims.

21 The "Defendant Insurance Company(ies)" have engaged in the pattern and practice of  
22 rescinding insurance policies of otherwise covered claims based on the immaterial provisions of  
23 the application for insurance and/or the insurance policy. The policy and practice of "Defendant  
24 Insurance Company(ies)" is to cover collision damage under very restrictive policy provisions in  
25 which said collision damage is covered only if the collision involves a covered vehicle driven by  
26 a named insured. If the covered vehicle is not involved in an accident, the "Defendant Insurance  
27 Company(ies)" profit from receipt of the premium. If the covered vehicle is involved in an  
28 accident when being driven by a named insured the "Defendant Insurance Company(ies)"

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1 engage in post-accident underwriting by rescinding the policy on an immaterial representation in  
2 the application or an immaterial policy provision, saving themselves millions of dollars by not  
3 reimbursing their insured for a covered claim. The "Defendant Insurance  
4 Company(ies)" unlawfully and unfairly take advantage of their insureds all to the "Defendant  
5 Insurance Company(ies)" financial benefit.

6 The conduct as herein alleged is unfair within the meaning of Business and Professions  
7 Code sections 17200 et seq. By not covering collision damage pursuant to the terms of the  
8 insurance policy, and rescinding the policy, the plaintiffs have suffered substantial damages in  
9 that plaintiffs were not reimbursed for the collision damages to their vehicles which in almost all  
10 cases are in the thousands of dollars per vehicle. The injury to plaintiffs by "Defendant  
11 Insurance Company(ies)"s wrongful conduct is not outweighed by any countervailing benefits to  
12 consumers. There is no benefit to the consuming public for members of the public to pay  
13 insurance premiums to "Defendant Insurance Company(ies)" for collision damage for their  
14 vehicles, and then after making a claim, have the "Defendant Insurance Company(ies)" rescind  
15 the insurance policy based on an immaterial term in the policy or application. The net result of  
16 said conduct is that "Defendant Insurance Company(ies)" unfairly avoid their contractual  
17 responsibilities under the insurance policies all to the benefit of the "Defendant Insurance  
18 Company(ies)" and all to the detriment of their policy holders, the consuming public. Further,  
19 the injury to plaintiffs could not be reasonably avoided and was not foreseeable. At all times,  
20 most of the policies of insurance underwritten and/or issued by "Defendant Insurance  
21 Company(ies)" were written with the minimum required limits of 15/30/5. The insureds are high  
22 risk and need to pay premiums on a monthly basis. Few insurance companies are willing to  
23 underwrite or issue policies to individuals in plaintiffs' position. As a result, plaintiffs have few  
24 other choices in the insurance market to obtain legally mandated insurance. Additionally, the  
25 injury to plaintiffs as a result of "Defendant Insurance Company(ies)" wrongful conduct in  
26 rescinding the policies was not foreseeable. Here, plaintiffs and each of them purchased  
27 insurance policies covering collision damage. The policies were written by "Defendant  
28 Insurance Company(ies)" and understood by plaintiffs' to cover collision damage to the covered



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1 vehicle only when being driven by the named insured. In each instance alleged herein the  
2 covered vehicles were being driven by the named insureds; as such it was unforeseeable to  
3 plaintiffs that they would not be reimbursed for damage to their respective vehicles. After the  
4 collision however, defendants inquired of plaintiffs whether they respectively resided with a  
5 relative or other person. Based on this after the fact investigation the "Defendant Insurance  
6 Company(ies)" in each instance alleged herein, unforeseeably rescinded the contract based on an  
7 immaterial term irrelevant to the terms of coverage and contrary to the reasonable expectations  
8 of their insureds.

9 Additionally, said business practice is unlawful and contrary to the law as set forth in  
10 Insurance Code, section 359. The "Defendant Insurance Company(ies)" and each of them  
11 unlawfully rescind the insurance contracts based on alleged misrepresentations or concealment  
12 by the insureds, which are not material as required by Insurance Code section 359. The  
13 fallacious grounds used by "Defendant Insurance Company(ies)" to rescind said policies is  
14 wholly irrelevant and immaterial to the underwriting and or issuance of collision coverage, all in  
15 derogation of the express provisions of Insurance Code section 359.

16 Said business practice is fraudulent in that the "Defendant Insurance Company(ies)"  
17 represent to their insureds in both the application and in the insurance policy that the insured will  
18 be covered for collision damage in the event of an accident wherein the covered vehicle is being  
19 driven by the named insured. In reliance on these representations the insureds procure insurance  
20 from "Defendant Insurance Company(ies)" and continue to pay monthly premiums to  
21 "Defendant Insurance Company(ies)" on their insurance policies. The representations by the  
22 "Defendant Insurance Company(ies)" are in fact false; following an accident in which the  
23 covered vehicle is being driven by the named insured, the "Defendant Insurance Company(ies)"  
24 refuse to cover the loss and rescind the policy based on an immaterial provision or disclosure in  
25 the application and insurance policy. Had plaintiffs known of the true facts, plaintiffs would not  
26 have procured collision coverage through "Defendant Insurance Company(ies)"

27 The Defendant Insurance Companies further engaged in fraudulent, deceptive and  
28 unlawful conduct in knowingly allowing their insurance brokers and agents to fail to

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1 communicate to Defendant Insurance Companies the fact that their insureds during the policy  
2 period, had changed addresses and/or moved in with other individuals. In encouraging and/or  
3 allowing said business practice to occur, the Defendant Insurance Companies are therefore able  
4 to deny coverage on an immaterial representation (or alleged failure to represent) relative to  
5 coverage. In knowingly allowing said insurance brokers and agents to engage in said conduct,  
6 said Defendant Insurance Companies must be deemed to have imputed knowledge as to the facts  
7 communicated by their insured(s) to said brokers and agents.

8 That the policies of insurance issued by the defendants and each of them, also contained  
9 liability insurance. The defendants and each of them engaged in unfair business practices by  
10 rescinding said policy of insurance and denying coverage, by engaging in post claim  
11 underwriting.

12 212. In denying Plaintiff's(s) collision claim(s), the "Defendant Insurance  
13 Company(ies)" and each of them relied on immaterial provisions of the Disclosure form, the  
14 application and/or the insurance policy as grounds for not covering Plaintiff's(s) collision  
15 claim(s). "Defendant Insurance Company(ies)"s unilaterally attempted to rescind the contract by  
16 returning the premiums paid by Plaintiff(s). As a result of this fraudulent and unfair business  
17 practice, plaintiffs have been deprived of the benefits which were due and owing under the terms  
18 and conditions of the respective insurance policies.

19 213. At all times herein mentioned the "Defendant Insurance Company(ies)" were  
20 unjustly enriched at the expense of Plaintiff(s), by retaining money due and owing Plaintiff(s).

21 214. As a result of "Defendant Insurance Company(ies)" retaining the money (the  
22 amount of collision damage due and owing Plaintiff, Plaintiff is entitled to restitution and/or  
23 restitutionary disgorgement of the amount to reimburse Plaintiff for her collision loss.

24 **Comes now Plaintiff RICARDO RUIZ, and alleges for a Third Cause of Action for**  
25 **Breach of Contract against Defendants National General Insurance Company, Integon**  
26 **National Insurance Company and Does 1-50, as follows:**

27 215. Plaintiff hereby incorporates by reference as though set forth in full herein,  
28 Paragraphs 1 through 10, inclusive. On or about August of 2018, Plaintiff was in an auto

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1 accident where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly  
2 thereafter, Plaintiff's automobile policy was rescinded for an alleged failure to disclose members  
3 of Plaintiff's household.

4 216. That at all times herein mentioned Plaintiff had in force and effect an automobile  
5 insurance policy with defendants.

6 217. The "Defendant Insurance Company(ies)" breached the herein alleged insurance  
7 contract by not paying to Plaintiff the benefits due and owing under said insurance policy.

8 218. As special damages flowing from "Defendant Insurance Company(ies)" breach of  
9 contract, Plaintiff has sustained economic damages for the collision damage sustained by and the  
10 value of his or her car. Plaintiff also sustained other economic damages in liability to third  
11 parties. Plaintiff has sustained further economic damages in that Plaintiff's attorney is  
12 prosecuting the present matter. Plaintiff has and will continue to incur attorney's fees in the  
13 prosecution of this cause of action.

14 219. As a consequential result of the wrongful conduct of "Defendant Insurance  
15 Company(ies)", and each of them, Plaintiff has and or will sustain damages in an amount  
16 currently unknown to Plaintiff, but which will be shown according to proof at the time of trial.

17 **Comes now Plaintiff CARLOS ARMANDO RUIZRIVERA, and alleges for a First**  
18 **Cause of Action for Bad Faith (Breach of the Implied Covenant of Good Faith and Fair**  
19 **Dealing) against Defendants National General Insurance Company and Integon National**  
20 **Insurance Company and Does 1-50, as follows:**

21 220. Plaintiffs hereby incorporates by reference as though set forth in full herein  
22 Paragraphs 1 through 10, inclusive. On or about October 23, 2018, Plaintiff was in an auto  
23 accident where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly  
24 thereafter, Plaintiff's automobile policy was rescinded for an alleged failure to disclose members  
25 of Plaintiff's household.

26 221. That at all times herein mentioned Plaintiff had in force and effect an automobile  
27 insurance policy with defendants.

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1           222. Implied into the terms and conditions of the above referenced insurance policy is  
2 that "Defendant Insurance Company(ies)" would at all times deal with Plaintiff in good faith and  
3 with fair dealing. That at all times, the "Defendant Insurance Company(ies)" have not dealt with  
4 Plaintiff with good faith and fair dealing.

5           223. The above reasoning for refusing to pay Plaintiff's claim is fallacious and merely  
6 a ruse for "Defendant Insurance Company(ies)" refusal and failure to honor the terms and  
7 conditions of the policies of insurance. At all times herein mentioned, there was no material  
8 misrepresentation by Plaintiff and "Defendant Insurance Company(ies)" assertion thereof was  
9 done with the intent and purpose to avoid paying Plaintiff's claims, including their collision  
10 claim.

11           224. That at all times herein mention the policy of insurance issued by and  
12 underwritten by the defendants also contained liability coverage. The defendants and each of  
13 them engaged in post claim underwriting for purposes of rescinding the insurance policy and  
14 denying coverage

15           225. By engaging in the above referenced conduct, the "Defendant Insurance  
16 Company(ies)" and each of them have breached the implied covenant of good faith and fair  
17 dealing and have acted in bad faith toward Plaintiff.

18           226. As a proximate result of the wrongful conduct of "Defendant Insurance  
19 Company(ies)," and each of them, Plaintiff has sustained economic damages in excess of the  
20 minimum amount required for jurisdiction of the above-entitled court and which will be shown  
21 according to proof at the time of trial.

22           227. The above referenced conduct was done willfully and maliciously by "Defendant  
23 Insurance Company(ies)." Their refusal to pay the insurance policy benefits was done in  
24 conscious disregard of Plaintiff's rights with full knowledge that under the insurance policy as  
25 written, they were obligated to pay for Plaintiff's losses, yet refused to do so, knowing that said  
26 refusal would cause injury to Plaintiff. The "Defendant Insurance Company(ies)" conduct is  
27 despicable in that "Defendant Insurance Company(ies)" knew they had an obligation to pay for  
28 Plaintiff's losses, yet in total derogation of Plaintiff's rights, refused to pay for said losses.

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1 Comes now Plaintiff CARLOS ARMANDO RUIZRIVERA, and alleges for a  
2 Second Cause of Action for Unfair Business Practice against Defendants National General  
3 Insurance Company, Integon National Insurance Company, and Does 1-50, as follows:

4 228. Plaintiff hereby incorporates by reference as though set forth in full herein,  
5 Paragraphs 1 through 10, inclusive. On or about October 23, 2018, Plaintiff was in an auto  
6 accident where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly  
7 thereafter, Plaintiff's automobile policy was rescinded for an alleged failure to disclose members  
8 of Plaintiff's household.

9 229. That at all times herein mentioned Plaintiff had in force and effect an automobile  
10 insurance policy with defendants.

11 230. At all times herein mentioned, "Defendant Insurance Company(ies)" have  
12 engaged in unfair, unlawful and/or fraudulent business practices in violation of Business and  
13 Professions Code, sections 17200 et seq. The "Defendant Insurance Company(ies)" issue and/or  
14 underwrite policies of automobile insurance which typically have minimum policy limits. Their  
15 insureds are typically high risk, unsophisticated consumers. The policies of insurance maintain  
16 exclusions and definitions not found in the typical automobile policy. At all times herein  
17 mentioned the "Defendant Insurance Company(ies)" engaged in the business practice whereby  
18 when dealing with first party collision claims, the "Defendant Insurance Company(ies)" in  
19 referencing their "Reduced Coverage Disclosure Summary," the application for insurance,  
20 and/or certain provisions in the insurance policy itself, deny coverage based on immaterial  
21 provisions of said Disclosure, application, and/or insurance policy. In conjunction therewith,  
22 "Defendant Insurance Company(ies)" unilaterally send a notice of rescission and return the  
23 premiums paid. Specifically, the "Defendant Insurance Company(ies)" and each of them issue  
24 and/or underwrite policies of automobile insurance providing Collision coverage. By the terms  
25 of the policies, the collision coverage is applicable only when an insured vehicle is being driven  
26 by the named insured. Following an accident in which the insured's(s) vehicle(s) is(are) being  
27 driven by the named insured(s), the "Defendant Insurance Company(ies)" deny coverage based  
28 on the insured's(s) failure to inform defendants that the named insured(s) lived with family

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1 members, relatives, and/or other household members. Said rationale for denying coverage is  
2 irrelevant and immaterial in that the collision coverage underwritten and/or issued is present only  
3 when the insured vehicle(s) is being driven by the named insured(s) (and not when being driven  
4 by a family member, relative, or other permissive user.). As a result of this fraudulent, unlawful  
5 or unfair business practice, the "Defendant Insurance Company(ies)" save millions of dollars by  
6 not paying covered claims.

7 The "Defendant Insurance Company(ies)" have engaged in the pattern and practice of  
8 rescinding insurance policies of otherwise covered claims based on the immaterial provisions of  
9 the application for insurance and/or the insurance policy. The policy and practice of "Defendant  
10 Insurance Company(ies)" is to cover collision damage under very restrictive policy provisions in  
11 which said collision damage is covered only if the collision involves a covered vehicle driven by  
12 a named insured. If the covered vehicle is not involved in an accident, the "Defendant Insurance  
13 Company(ies)" profit from receipt of the premium. If the covered vehicle is involved in an  
14 accident when being driven by a named insured the "Defendant Insurance Company(ies)"  
15 engage in post-accident underwriting by rescinding the policy on an immaterial representation in  
16 the application or an immaterial policy provision, saving themselves millions of dollars by not  
17 reimbursing their insured for a covered claim. The "Defendant Insurance  
18 Company(ies)" unlawfully and unfairly take advantage of their insureds all to the "Defendant  
19 Insurance Company(ies)" financial benefit.

20 The conduct as herein alleged is unfair within the meaning of Business and Professions  
21 Code sections 17200 et seq. By not covering collision damage pursuant to the terms of the  
22 insurance policy, and rescinding the policy, the plaintiffs have suffered substantial damages in  
23 that plaintiffs were not reimbursed for the collision damages to their vehicles which in almost all  
24 cases are in the thousands of dollars per vehicle. The injury to plaintiffs by "Defendant  
25 Insurance Company(ies)"s wrongful conduct is not outweighed by any countervailing benefits to  
26 consumers. There is no benefit to the consuming public for members of the public to pay  
27 insurance premiums to "Defendant Insurance Company(ies)" for collision damage for their  
28 vehicles, and then after making a claim, have the "Defendant Insurance Company(ies)" rescind

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1 the insurance policy based on an immaterial term in the policy or application. The net result of  
2 said conduct is that "Defendant Insurance Company(ies)" unfairly avoid their contractual  
3 responsibilities under the insurance policies all to the benefit of the "Defendant Insurance  
4 Company(ies)" and all to the detriment of their policy holders, the consuming public. Further,  
5 the injury to plaintiffs could not be reasonably avoided and was not foreseeable. At all times,  
6 most of the policies of insurance underwritten and/or issued by "Defendant Insurance  
7 Company(ies)" were written with the minimum required limits of 15/30/5. The insureds are high  
8 risk and need to pay premiums on a monthly basis. Few insurance companies are willing to  
9 underwrite or issue policies to individuals in plaintiffs' position. As a result, plaintiffs have few  
10 other choices in the insurance market to obtain legally mandated insurance. Additionally, the  
11 injury to plaintiffs as a result of "Defendant Insurance Company(ies)" wrongful conduct in  
12 rescinding the policies was not foreseeable. Here, plaintiffs and each of them purchased  
13 insurance policies covering collision damage. The policies were written by "Defendant  
14 Insurance Company(ies)" and understood by plaintiffs' to cover collision damage to the covered  
15 vehicle only when being driven by the named insured. In each instance alleged herein the  
16 covered vehicles were being driven by the named insureds; as such it was unforeseeable to  
17 plaintiffs that they would not be reimbursed for damage to their respective vehicles. After the  
18 collision however, defendants inquired of plaintiffs whether they respectively resided with a  
19 relative or other person. Based on this after the fact investigation the "Defendant Insurance  
20 Company(ies)" in each instance alleged herein, unforeseeably rescinded the contract based on an  
21 immaterial term irrelevant to the terms of coverage and contrary to the reasonable expectations  
22 of their insureds.

23         Additionally, said business practice is unlawful and contrary to the law as set forth in  
24 Insurance Code, section 359. The "Defendant Insurance Company(ies)" and each of them  
25 unlawfully rescind the insurance contracts based on alleged misrepresentations or concealment  
26 by the insureds, which are not material as required by Insurance Code section 359. The  
27 fallacious grounds used by "Defendant Insurance Company(ies)" to rescind said policies is  
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1 wholly irrelevant and immaterial to the underwriting and or issuance of collision coverage, all in  
2 derogation of the express provisions of Insurance Code section 359.

3 Said business practice is fraudulent in that the "Defendant Insurance Company(ies)"  
4 represent to their insureds in both the application and in the insurance policy that the insured will  
5 be covered for collision damage in the event of an accident wherein the covered vehicle is being  
6 driven by the named insured. In reliance on these representations the insureds procure insurance  
7 from "Defendant Insurance Company(ies)" and continue to pay monthly premiums to  
8 "Defendant Insurance Company(ies)" on their insurance policies. The representations by the  
9 "Defendant Insurance Company(ies)" are in fact false; following an accident in which the  
10 covered vehicle is being driven by the named insured, the "Defendant Insurance Company(ies)"  
11 refuse to cover the loss and rescind the policy based on an immaterial provision or disclosure in  
12 the application and insurance policy. Had plaintiffs known of the true facts, plaintiffs would not  
13 have procured collision coverage through "Defendant Insurance Company(ies)"

14 The Defendant Insurance Companies further engaged in fraudulent, deceptive and  
15 unlawful conduct in knowingly allowing their insurance brokers and agents to fail to  
16 communicate to Defendant Insurance Companies the fact that their insureds during the policy  
17 period, had changed addresses and/or moved in with other individuals. In encouraging and/or  
18 allowing said business practice to occur, the Defendant Insurance Companies are therefore able  
19 to deny coverage on an immaterial representation (or alleged failure to represent) relative to  
20 coverage. In knowingly allowing said insurance brokers and agents to engage in said conduct,  
21 said Defendant Insurance Companies must be deemed to have imputed knowledge as to the facts  
22 communicated by their insured(s) to said brokers and agents.

23 That the policies of insurance issued by the defendants and each of them, also contained  
24 liability insurance. The defendants and each of them engaged in unfair business practices by  
25 rescinding said policy of insurance and denying coverage, by engaging in post claim  
26 underwriting.

27 231. In denying Plaintiff's(s) collision claim(s), the "Defendant Insurance  
28 Company(ies)" and each of them relied on immaterial provisions of the Disclosure form, the



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1 application and/or the insurance policy as grounds for not covering Plaintiff(s)' collision  
2 claim(s). "Defendant Insurance Company(ies)"s unilaterally attempted to rescind the contract by  
3 returning the premiums paid by Plaintiff(s). As a result of this fraudulent and unfair business  
4 practice, plaintiffs have been deprived of the benefits which were due and owing under the terms  
5 and conditions of the respective insurance policies.

6 232. At all times herein mentioned the "Defendant Insurance Company(ies)" were  
7 unjustly enriched at the expense of Plaintiff(s), by retaining money due and owing Plaintiff(s).

8 233. As a result of "Defendant Insurance Company(ies)" retaining the money (the  
9 amount of collision damage due and owing Plaintiff, Plaintiff is entitled to restitution and/or  
10 restitutionary disgorgement of the amount to reimburse Plaintiff for her collision loss.

11 **Comes now Plaintiff CARLOS ARMANDO RUIZRIVERA, and alleges for a Third**  
12 **Cause of Action for Breach of Contract against Defendants National General Insurance**  
13 **Company, Integon National Insurance Company and Does 1-50, as follows:**

14 234. Plaintiff hereby incorporates by reference as though set forth in full herein,  
15 Paragraphs 1 through 10, inclusive. On or about October 23, 2018, Plaintiff was in an auto  
16 accident where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly  
17 thereafter, Plaintiff's automobile policy was rescinded for an alleged failure to disclose members  
18 of Plaintiff's household.

19 235. That at all times herein mentioned Plaintiff had in force and effect an automobile  
20 insurance policy with defendants.

21 236. The "Defendant Insurance Company(ies)" breached the herein alleged insurance  
22 contract by not paying to Plaintiff the benefits due and owing under said insurance policy.

23 237. As special damages flowing from "Defendant Insurance Company(ies)" breach of  
24 contract, Plaintiff has sustained economic damages for the collision damage sustained by and the  
25 value of his or her car. Plaintiff also sustained other economic damages in liability to third  
26 parties. Plaintiff has sustained further economic damages in that Plaintiff's attorney is  
27 prosecuting the present matter. Plaintiff has and will continue to incur attorney's fees in the  
28 prosecution of this cause of action.

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1 238. As a consequential result of the wrongful conduct of "Defendant Insurance  
2 Company(ies)", and each of them, Plaintiff has and or will sustain damages in an amount  
3 currently unknown to Plaintiff, but which will be shown according to proof at the time of trial.

4 **Comes now Plaintiff MARY LUZ MARQUEZ LOBO, and alleges for a First Cause**  
5 **of Action for Bad Faith (Breach of the Implied Covenant of Good Faith and Fair Dealing)**  
6 **against Defendants National General Insurance Company and Integon National Insurance**  
7 **Company and Does 1-50, as follows:**

8 239. Plaintiffs hereby incorporates by reference as though set forth in full herein  
9 Paragraphs 1 through 10, inclusive. On or about March of 2019, Plaintiff was in an auto accident  
10 where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly thereafter,  
11 Plaintiff's automobile policy was rescinded for an alleged failure to disclose members of  
12 Plaintiff's household.

13 240. That at all times herein mentioned Plaintiff had in force and effect an automobile  
14 insurance policy with defendants.

15 241. Implied into the terms and conditions of the above referenced insurance policy is  
16 that "Defendant Insurance Company(ies)" would at all times deal with Plaintiff in good faith and  
17 with fair dealing. That at all times, the "Defendant Insurance Company(ies)" have not dealt with  
18 Plaintiff with good faith and fair dealing.

19 242. The above reasoning for refusing to pay Plaintiff's claim is fallacious and merely  
20 a ruse for "Defendant Insurance Company(ies)" refusal and failure to honor the terms and  
21 conditions of the policies of insurance. At all times herein mentioned, there was no material  
22 misrepresentation by Plaintiff and "Defendant Insurance Company(ies)" assertion thereof was  
23 done with the intent and purpose to avoid paying Plaintiff's claims, including their collision  
24 claim.

25 243. That at all times herein mention the policy of insurance issued by and  
26 underwritten by the defendants also contained liability coverage. The defendants and each of  
27 them engaged in post claim underwriting for purposes of rescinding the insurance policy and  
28 denying coverage

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1           244. By engaging in the above referenced conduct, the "Defendant Insurance  
2 Company(ies)" and each of them have breached the implied covenant of good faith and fair  
3 dealing and have acted in bad faith toward Plaintiff.

4           245. As a proximate result of the wrongful conduct of "Defendant Insurance  
5 Company(ies)," and each of them, Plaintiff has sustained economic damages in excess of the  
6 minimum amount required for jurisdiction of the above-entitled court and which will be shown  
7 according to proof at the time of trial.

8           246. The above referenced conduct was done willfully and maliciously by "Defendant  
9 Insurance Company(ies)." Their refusal to pay the insurance policy benefits was done in  
10 conscious disregard of Plaintiff's rights with full knowledge that under the insurance policy as  
11 written, they were obligated to pay for Plaintiff's losses, yet refused to do so, knowing that said  
12 refusal would cause injury to Plaintiff. The "Defendant Insurance Company(ies)" conduct is  
13 despicable in that "Defendant Insurance Company(ies)" knew they had an obligation to pay for  
14 Plaintiff's losses, yet in total derogation of Plaintiff's rights, refused to pay for said losses.

15           **Comes now Plaintiff MARY LUZ MARQUEZ LOBO, and alleges for a Second**  
16 **Cause of Action for Unfair Business Practice against Defendants National General**  
17 **Insurance Company, Integon National Insurance Company, and Does 1-50, as follows:**

18           247. Plaintiff hereby incorporates by reference as though set forth in full herein,  
19 Paragraphs 1 through 10, inclusive. On or about March of 2019, Plaintiff was in an auto accident  
20 where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly thereafter,  
21 Plaintiff's automobile policy was rescinded for an alleged failure to disclose members of  
22 Plaintiff's household.

23           248. That at all times herein mentioned Plaintiff had in force and effect an automobile  
24 insurance policy with defendants.

25           249. At all times herein mentioned, "Defendant Insurance Company(ies)" have  
26 engaged in unfair, unlawful and/or fraudulent business practices in violation of Business and  
27 Professions Code, sections 17200 et seq. The "Defendant Insurance Company(ies)" issue and/or  
28 underwrite policies of automobile insurance which typically have minimum policy limits. Their

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1 insureds are typically high risk, unsophisticated consumers. The policies of insurance maintain  
2 exclusions and definitions not found in the typical automobile policy. At all times herein  
3 mentioned the "Defendant Insurance Company(ies)" engaged in the business practice whereby  
4 when dealing with first party collision claims, the "Defendant Insurance Company(ies)" in  
5 referencing their "Reduced Coverage Disclosure Summary," the application for insurance,  
6 and/or certain provisions in the insurance policy itself, deny coverage based on immaterial  
7 provisions of said Disclosure, application, and/or insurance policy. In conjunction therewith,  
8 "Defendant Insurance Company(ies)" unilaterally send a notice of rescission and return the  
9 premiums paid. Specifically, the "Defendant Insurance Company(ies)" and each of them issue  
10 and/or underwrite policies of automobile insurance providing Collision coverage. By the terms  
11 of the policies, the collision coverage is applicable only when an insured vehicle is being driven  
12 by the named insured. Following an accident in which the insured's(s) vehicle(s) is(are) being  
13 driven by the named insured(s), the "Defendant Insurance Company(ies)" deny coverage based  
14 on the insured's(s) failure to inform defendants that the named insured(s) lived with family  
15 members, relatives, and/or other household members. Said rationale for denying coverage is  
16 irrelevant and immaterial in that the collision coverage underwritten and/or issued is present only  
17 when the insured vehicle(s) is being driven by the named insured(s) (and not when being driven  
18 by a family member, relative, or other permissive user.). As a result of this fraudulent, unlawful  
19 or unfair business practice, the "Defendant Insurance Company(ies)" save millions of dollars by  
20 not paying covered claims.

21 The "Defendant Insurance Company(ies)" have engaged in the pattern and practice of  
22 rescinding insurance policies of otherwise covered claims based on the immaterial provisions of  
23 the application for insurance and/or the insurance policy. The policy and practice of "Defendant  
24 Insurance Company(ies)" is to cover collision damage under very restrictive policy provisions in  
25 which said collision damage is covered only if the collision involves a covered vehicle driven by  
26 a named insured. If the covered vehicle is not involved in an accident, the "Defendant Insurance  
27 Company(ies)" profit from receipt of the premium. If the covered vehicle is involved in an  
28 accident when being driven by a named insured the "Defendant Insurance Company(ies)"

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1 engage in post-accident underwriting by rescinding the policy on an immaterial representation in  
2 the application or an immaterial policy provision, saving themselves millions of dollars by not  
3 reimbursing their insured for a covered claim. The "Defendant Insurance  
4 Company(ies)" unlawfully and unfairly take advantage of their insureds all to the "Defendant  
5 Insurance Company(ies)" financial benefit.

6 The conduct as herein alleged is unfair within the meaning of Business and Professions  
7 Code sections 17200 et seq. By not covering collision damage pursuant to the terms of the  
8 insurance policy, and rescinding the policy, the plaintiffs have suffered substantial damages in  
9 that plaintiffs were not reimbursed for the collision damages to their vehicles which in almost all  
10 cases are in the thousands of dollars per vehicle. The injury to plaintiffs by "Defendant  
11 Insurance Company(ies)"s wrongful conduct is not outweighed by any countervailing benefits to  
12 consumers. There is no benefit to the consuming public for members of the public to pay  
13 insurance premiums to "Defendant Insurance Company(ies)" for collision damage for their  
14 vehicles, and then after making a claim, have the "Defendant Insurance Company(ies)" rescind  
15 the insurance policy based on an immaterial term in the policy or application. The net result of  
16 said conduct is that "Defendant Insurance Company(ies)" unfairly avoid their contractual  
17 responsibilities under the insurance policies all to the benefit of the "Defendant Insurance  
18 Company(ies)" and all to the detriment of their policy holders, the consuming public. Further,  
19 the injury to plaintiffs could not be reasonably avoided and was not foreseeable. At all times,  
20 most of the policies of insurance underwritten and/or issued by "Defendant Insurance  
21 Company(ies)" were written with the minimum required limits of 15/30/5. The insureds are high  
22 risk and need to pay premiums on a monthly basis. Few insurance companies are willing to  
23 underwrite or issue policies to individuals in plaintiffs' position. As a result, plaintiffs have few  
24 other choices in the insurance market to obtain legally mandated insurance. Additionally, the  
25 injury to plaintiffs as a result of "Defendant Insurance Company(ies)" wrongful conduct in  
26 rescinding the policies was not foreseeable. Here, plaintiffs and each of them purchased  
27 insurance policies covering collision damage. The policies were written by "Defendant  
28 Insurance Company(ies)" and understood by plaintiffs' to cover collision damage to the covered

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1 vehicle only when being driven by the named insured. In each instance alleged herein the  
2 covered vehicles were being driven by the named insureds; as such it was unforeseeable to  
3 plaintiffs that they would not be reimbursed for damage to their respective vehicles. After the  
4 collision however, defendants inquired of plaintiffs whether they respectively resided with a  
5 relative or other person. Based on this after the fact investigation the "Defendant Insurance  
6 Company(ies)" in each instance alleged herein, unforeseeably rescinded the contract based on an  
7 immaterial term irrelevant to the terms of coverage and contrary to the reasonable expectations  
8 of their insureds.

9 Additionally, said business practice is unlawful and contrary to the law as set forth in  
10 Insurance Code, section 359. The "Defendant Insurance Company(ies)" and each of them  
11 unlawfully rescind the insurance contracts based on alleged misrepresentations or concealment  
12 by the insureds, which are not material as required by Insurance Code section 359. The  
13 fallacious grounds used by "Defendant Insurance Company(ies)" to rescind said policies is  
14 wholly irrelevant and immaterial to the underwriting and or issuance of collision coverage, all in  
15 derogation of the express provisions of Insurance Code section 359.

16 Said business practice is fraudulent in that the "Defendant Insurance Company(ies)"  
17 represent to their insureds in both the application and in the insurance policy that the insured will  
18 be covered for collision damage in the event of an accident wherein the covered vehicle is being  
19 driven by the named insured. In reliance on these representations the insureds procure insurance  
20 from "Defendant Insurance Company(ies)" and continue to pay monthly premiums to  
21 "Defendant Insurance Company(ies)" on their insurance policies. The representations by the  
22 "Defendant Insurance Company(ies)" are in fact false; following an accident in which the  
23 covered vehicle is being driven by the named insured, the "Defendant Insurance Company(ies)"  
24 refuse to cover the loss and rescind the policy based on an immaterial provision or disclosure in  
25 the application and insurance policy. Had plaintiffs known of the true facts, plaintiffs would not  
26 have procured collision coverage through "Defendant Insurance Company(ies)"

27 The Defendant Insurance Companies further engaged in fraudulent, deceptive and  
28 unlawful conduct in knowingly allowing their insurance brokers and agents to fail to

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1 communicate to Defendant Insurance Companies the fact that their insureds during the policy  
2 period, had changed addresses and/or moved in with other individuals. In encouraging and/or  
3 allowing said business practice to occur, the Defendant Insurance Companies are therefore able  
4 to deny coverage on an immaterial representation (or alleged failure to represent) relative to  
5 coverage. In knowingly allowing said insurance brokers and agents to engage in said conduct,  
6 said Defendant Insurance Companies must be deemed to have imputed knowledge as to the facts  
7 communicated by their insured(s) to said brokers and agents.

8 That the policies of insurance issued by the defendants and each of them, also contained  
9 liability insurance. The defendants and each of them engaged in unfair business practices by  
10 rescinding said policy of insurance and denying coverage, by engaging in post claim  
11 underwriting.

12 250. In denying Plaintiff's(s) collision claim(s), the "Defendant Insurance  
13 Company(ies)" and each of them relied on immaterial provisions of the Disclosure form, the  
14 application and/or the insurance policy as grounds for not covering Plaintiff's(s) collision  
15 claim(s). "Defendant Insurance Company(ies)"s unilaterally attempted to rescind the contract by  
16 returning the premiums paid by Plaintiff(s). As a result of this fraudulent and unfair business  
17 practice, plaintiffs have been deprived of the benefits which were due and owing under the terms  
18 and conditions of the respective insurance policies.

19 251. At all times herein mentioned the "Defendant Insurance Company(ies)" were  
20 unjustly enriched at the expense of Plaintiff(s), by retaining money due and owing Plaintiff(s).

21 252. As a result of "Defendant Insurance Company(ies)" retaining the money (the  
22 amount of collision damage due and owing Plaintiff, Plaintiff is entitled to restitution and/or  
23 restitutionary disgorgement of the amount to reimburse Plaintiff for her collision loss.

24 **Comes now Plaintiff MARY LUZ MARQUEZ LOBO, and alleges for a Third**  
25 **Cause of Action for Breach of Contract against Defendants National General Insurance**  
26 **Company, Integon National Insurance Company and Does 1-50, as follows:**

27 253. Plaintiff hereby incorporates by reference as though set forth in full herein,  
28 Paragraphs 1 through 10, inclusive. On or about March of 2019, Plaintiff was in an auto accident

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1 where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly thereafter,  
2 Plaintiff's automobile policy was rescinded for an alleged failure to disclose members of  
3 Plaintiff's household.

4 254. That at all times herein mentioned Plaintiff had in force and effect an automobile  
5 insurance policy with defendants.

6 255. The "Defendant Insurance Company(ies)" breached the herein alleged insurance  
7 contract by not paying to Plaintiff the benefits due and owing under said insurance policy.

8 256. As special damages flowing from "Defendant Insurance Company(ies)" breach of  
9 contract, Plaintiff has sustained economic damages for the collision damage sustained by and the  
10 value of his or her car. Plaintiff also sustained other economic damages in liability to third  
11 parties. Plaintiff has sustained further economic damages in that Plaintiff's attorney is  
12 prosecuting the present matter. Plaintiff has and will continue to incur attorney's fees in the  
13 prosecution of this cause of action.

14 257. As a consequential result of the wrongful conduct of "Defendant Insurance  
15 Company(ies)", and each of them, Plaintiff has and or will sustain damages in an amount  
16 currently unknown to Plaintiff, but which will be shown according to proof at the time of trial.

17 **Comes now Plaintiff ROBERTO VILLASENOR CARDENAS, and alleges for a**  
18 **First Cause of Action for Bad Faith (Breach of the Implied Covenant of Good Faith and**  
19 **Fair Dealing) against Defendants National General Insurance Company and Integon**  
20 **National Insurance Company and Does 1-50, as follows:**

21 258. Plaintiffs hereby incorporates by reference as though set forth in full herein  
22 Paragraphs 1 through 10, inclusive. On or about April of 2019, Plaintiff was in an auto accident  
23 where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly thereafter,  
24 Plaintiff's automobile policy was rescinded for an alleged failure to disclose members of  
25 Plaintiff's household.

26 259. That at all times herein mentioned Plaintiff had in force and effect an automobile  
27 insurance policy with defendants.

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1           260. Implied into the terms and conditions of the above referenced insurance policy is  
2 that "Defendant Insurance Company(ies)" would at all times deal with Plaintiff in good faith and  
3 with fair dealing. That at all times, the "Defendant Insurance Company(ies)" have not dealt with  
4 Plaintiff with good faith and fair dealing.

5           261. The above reasoning for refusing to pay Plaintiff's claim is fallacious and merely  
6 a ruse for "Defendant Insurance Company(ies)" refusal and failure to honor the terms and  
7 conditions of the policies of insurance. At all times herein mentioned, there was no material  
8 misrepresentation by Plaintiff and "Defendant Insurance Company(ies)" assertion thereof was  
9 done with the intent and purpose to avoid paying Plaintiff's claims, including their collision  
10 claim.

11           262. That at all times herein mention the policy of insurance issued by and  
12 underwritten by the defendants also contained liability coverage. The defendants and each of  
13 them engaged in post claim underwriting for purposes of rescinding the insurance policy and  
14 denying coverage

15           263. By engaging in the above referenced conduct, the "Defendant Insurance  
16 Company(ies)" and each of them have breached the implied covenant of good faith and fair  
17 dealing and have acted in bad faith toward Plaintiff.

18           264. As a proximate result of the wrongful conduct of "Defendant Insurance  
19 Company(ies)," and each of them, Plaintiff has sustained economic damages in excess of the  
20 minimum amount required for jurisdiction of the above-entitled court and which will be shown  
21 according to proof at the time of trial.

22           265. The above referenced conduct was done willfully and maliciously by "Defendant  
23 Insurance Company(ies)." Their refusal to pay the insurance policy benefits was done in  
24 conscious disregard of Plaintiff's rights with full knowledge that under the insurance policy as  
25 written, they were obligated to pay for Plaintiff's losses, yet refused to do so, knowing that said  
26 refusal would cause injury to Plaintiff. The "Defendant Insurance Company(ies)" conduct is  
27 despicable in that "Defendant Insurance Company(ies)" knew they had an obligation to pay for  
28 Plaintiff's losses, yet in total derogation of Plaintiff's rights, refused to pay for said losses.

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1 Comes now Plaintiff ROBERTO VILLASENOR CARDENAS, and alleges for a  
2 Second Cause of Action for Unfair Business Practice against Defendants National General  
3 Insurance Company, Integon National Insurance Company, and Does 1-50, as follows:

4 266. Plaintiff hereby incorporates by reference as though set forth in full herein,  
5 Paragraphs 1 through 10, inclusive. On or about April of 2019, Plaintiff was in an auto accident  
6 where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly thereafter,  
7 Plaintiff's automobile policy was rescinded for an alleged failure to disclose members of  
8 Plaintiff's household.

9 267. That at all times herein mentioned Plaintiff had in force and effect an automobile  
10 insurance policy with defendants.

11 268. At all times herein mentioned, "Defendant Insurance Company(ies)" have  
12 engaged in unfair, unlawful and/or fraudulent business practices in violation of Business and  
13 Professions Code, sections 17200 et seq. The "Defendant Insurance Company(ies)" issue and/or  
14 underwrite policies of automobile insurance which typically have minimum policy limits. Their  
15 insureds are typically high risk, unsophisticated consumers. The policies of insurance maintain  
16 exclusions and definitions not found in the typical automobile policy. At all times herein  
17 mentioned the "Defendant Insurance Company(ies)" engaged in the business practice whereby  
18 when dealing with first party collision claims, the "Defendant Insurance Company(ies)" in  
19 referencing their "Reduced Coverage Disclosure Summary," the application for insurance,  
20 and/or certain provisions in the insurance policy itself, deny coverage based on immaterial  
21 provisions of said Disclosure, application, and/or insurance policy. In conjunction therewith,  
22 "Defendant Insurance Company(ies)" unilaterally send a notice of rescission and return the  
23 premiums paid. Specifically, the "Defendant Insurance Company(ies)" and each of them issue  
24 and/or underwrite policies of automobile insurance providing Collision coverage. By the terms  
25 of the policies, the collision coverage is applicable only when an insured vehicle is being driven  
26 by the named insured. Following an accident in which the insured's(s) vehicle(s) is(are) being  
27 driven by the named insured(s), the "Defendant Insurance Company(ies)" deny coverage based  
28 on the insured's(s) failure to inform defendants that the named insured(s) lived with family

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1 members, relatives, and/or other household members. Said rationale for denying coverage is  
2 irrelevant and immaterial in that the collision coverage underwritten and/or issued is present only  
3 when the insured vehicle(s) is being driven by the named insured(s) (and not when being driven  
4 by a family member, relative, or other permissive user.). As a result of this fraudulent, unlawful  
5 or unfair business practice, the "Defendant Insurance Company(ies)" save millions of dollars by  
6 not paying covered claims.

7 The "Defendant Insurance Company(ies)" have engaged in the pattern and practice of  
8 rescinding insurance policies of otherwise covered claims based on the immaterial provisions of  
9 the application for insurance and/or the insurance policy. The policy and practice of "Defendant  
10 Insurance Company(ies)" is to cover collision damage under very restrictive policy provisions in  
11 which said collision damage is covered only if the collision involves a covered vehicle driven by  
12 a named insured. If the covered vehicle is not involved in an accident, the "Defendant Insurance  
13 Company(ies)" profit from receipt of the premium. If the covered vehicle is involved in an  
14 accident when being driven by a named insured the "Defendant Insurance Company(ies)"  
15 engage in post-accident underwriting by rescinding the policy on an immaterial representation in  
16 the application or an immaterial policy provision, saving themselves millions of dollars by not  
17 reimbursing their insured for a covered claim. The "Defendant Insurance  
18 Company(ies)" unlawfully and unfairly take advantage of their insureds all to the "Defendant  
19 Insurance Company(ies)" financial benefit.

20 The conduct as herein alleged is unfair within the meaning of Business and Professions  
21 Code sections 17200 et seq. By not covering collision damage pursuant to the terms of the  
22 insurance policy, and rescinding the policy, the plaintiffs have suffered substantial damages in  
23 that plaintiffs were not reimbursed for the collision damages to their vehicles which in almost all  
24 cases are in the thousands of dollars per vehicle. The injury to plaintiffs by "Defendant  
25 Insurance Company(ies)"s wrongful conduct is not outweighed by any countervailing benefits to  
26 consumers. There is no benefit to the consuming public for members of the public to pay  
27 insurance premiums to "Defendant Insurance Company(ies)" for collision damage for their  
28 vehicles, and then after making a claim, have the "Defendant Insurance Company(ies)" rescind

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1 the insurance policy based on an immaterial term in the policy or application. The net result of  
2 said conduct is that "Defendant Insurance Company(ies)" unfairly avoid their contractual  
3 responsibilities under the insurance policies all to the benefit of the "Defendant Insurance  
4 Company(ies)" and all to the detriment of their policy holders, the consuming public. Further,  
5 the injury to plaintiffs could not be reasonably avoided and was not foreseeable. At all times,  
6 most of the policies of insurance underwritten and/or issued by "Defendant Insurance  
7 Company(ies)" were written with the minimum required limits of 15/30/5. The insureds are high  
8 risk and need to pay premiums on a monthly basis. Few insurance companies are willing to  
9 underwrite or issue policies to individuals in plaintiffs' position. As a result, plaintiffs have few  
10 other choices in the insurance market to obtain legally mandated insurance. Additionally, the  
11 injury to plaintiffs as a result of "Defendant Insurance Company(ies)" wrongful conduct in  
12 rescinding the policies was not foreseeable. Here, plaintiffs and each of them purchased  
13 insurance policies covering collision damage. The policies were written by "Defendant  
14 Insurance Company(ies)" and understood by plaintiffs' to cover collision damage to the covered  
15 vehicle only when being driven by the named insured. In each instance alleged herein the  
16 covered vehicles were being driven by the named insureds; as such it was unforeseeable to  
17 plaintiffs that they would not be reimbursed for damage to their respective vehicles. After the  
18 collision however, defendants inquired of plaintiffs whether they respectively resided with a  
19 relative or other person. Based on this after the fact investigation the "Defendant Insurance  
20 Company(ies)" in each instance alleged herein, unforeseeably rescinded the contract based on an  
21 immaterial term irrelevant to the terms of coverage and contrary to the reasonable expectations  
22 of their insureds.

23 Additionally, said business practice is unlawful and contrary to the law as set forth in  
24 Insurance Code, section 359. The "Defendant Insurance Company(ies)" and each of them  
25 unlawfully rescind the insurance contracts based on alleged misrepresentations or concealment  
26 by the insureds, which are not material as required by Insurance Code section 359. The  
27 fallacious grounds used by "Defendant Insurance Company(ies)" to rescind said policies is

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1 wholly irrelevant and immaterial to the underwriting and or issuance of collision coverage, all in  
2 derogation of the express provisions of Insurance Code section 359.

3 Said business practice is fraudulent in that the "Defendant Insurance Company(ies)"  
4 represent to their insureds in both the application and in the insurance policy that the insured will  
5 be covered for collision damage in the event of an accident wherein the covered vehicle is being  
6 driven by the named insured. In reliance on these representations the insureds procure insurance  
7 from "Defendant Insurance Company(ies)" and continue to pay monthly premiums to  
8 "Defendant Insurance Company(ies)" on their insurance policies. The representations by the  
9 "Defendant Insurance Company(ies)" are in fact false; following an accident in which the  
10 covered vehicle is being driven by the named insured, the "Defendant Insurance Company(ies)"  
11 refuse to cover the loss and rescind the policy based on an immaterial provision or disclosure in  
12 the application and insurance policy. Had plaintiffs known of the true facts, plaintiffs would not  
13 have procured collision coverage through "Defendant Insurance Company(ies)"

14 The Defendant Insurance Companies further engaged in fraudulent, deceptive and  
15 unlawful conduct in knowingly allowing their insurance brokers and agents to fail to  
16 communicate to Defendant Insurance Companies the fact that their insureds during the policy  
17 period, had changed addresses and/or moved in with other individuals. In encouraging and/or  
18 allowing said business practice to occur, the Defendant Insurance Companies are therefore able  
19 to deny coverage on an immaterial representation (or alleged failure to represent) relative to  
20 coverage. In knowingly allowing said insurance brokers and agents to engage in said conduct,  
21 said Defendant Insurance Companies must be deemed to have imputed knowledge as to the facts  
22 communicated by their insured(s) to said brokers and agents.

23 That the policies of insurance issued by the defendants and each of them, also contained  
24 liability insurance. The defendants and each of them engaged in unfair business practices by  
25 rescinding said policy of insurance and denying coverage, by engaging in post claim  
26 underwriting.

27 269. In denying Plaintiff's(s) collision claim(s), the "Defendant Insurance  
28 Company(ies)" and each of them relied on immaterial provisions of the Disclosure form, the

1 application and/or the insurance policy as grounds for not covering Plaintiff(s)' collision  
2 claim(s). "Defendant Insurance Company(ies)"s unilaterally attempted to rescind the contract by  
3 returning the premiums paid by Plaintiff(s). As a result of this fraudulent and unfair business  
4 practice, plaintiffs have been deprived of the benefits which were due and owing under the terms  
5 and conditions of the respective insurance policies.

6 270. At all times herein mentioned the "Defendant Insurance Company(ies)" were  
7 unjustly enriched at the expense of Plaintiff(s), by retaining money due and owing Plaintiff(s).

8 271. As a result of "Defendant Insurance Company(ies)" retaining the money (the  
9 amount of collision damage due and owing Plaintiff, Plaintiff is entitled to restitution and/or  
10 restitutionary disgorgement of the amount to reimburse Plaintiff for her collision loss.

11 **Comes now Plaintiff ROBERTO VILLASENOR CARDENAS, and alleges for a**  
12 **Third Cause of Action for Breach of Contract against Defendants National General**  
13 **Insurance Company, Integon National Insurance Company and Does 1-50, as follows:**

14 272. Plaintiff hereby incorporates by reference as though set forth in full herein,  
15 Paragraphs 1 through 10, inclusive. On or about April of 2019, Plaintiff was in an auto accident  
16 where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly thereafter,  
17 Plaintiff's automobile policy was rescinded for an alleged failure to disclose members of  
18 Plaintiff's household.

19 273. That at all times herein mentioned Plaintiff had in force and effect an automobile  
20 insurance policy with defendants.

21 274. The "Defendant Insurance Company(ies)" breached the herein alleged insurance  
22 contract by not paying to Plaintiff the benefits due and owing under said insurance policy.

23 275. As special damages flowing from "Defendant Insurance Company(ies)" breach of  
24 contract, Plaintiff has sustained economic damages for the collision damage sustained by and the  
25 value of his or her car. Plaintiff also sustained other economic damages in liability to third  
26 parties. Plaintiff has sustained further economic damages in that Plaintiff's attorney is  
27 prosecuting the present matter. Plaintiff has and will continue to incur attorney's fees in the  
28 prosecution of this cause of action.

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1 276. As a consequential result of the wrongful conduct of "Defendant Insurance  
2 Company(ies)", and each of them, Plaintiff has and or will sustain damages in an amount  
3 currently unknown to Plaintiff, but which will be shown according to proof at the time of trial.

4 **Comes now Plaintiff JONI CISOWSKI, and alleges for a First Cause of Action for**  
5 **Bad Faith (Breach of the Implied Covenant of Good Faith and Fair Dealing) against**  
6 **Defendants National General Insurance Company and Integon National Insurance**  
7 **Company and Does 1-50, as follows:**

8 277. Plaintiffs hereby incorporates by reference as though set forth in full herein  
9 Paragraphs 1 through 10, inclusive. On or about July of 2019, Plaintiff was in an auto accident  
10 where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly thereafter,  
11 Plaintiff's automobile policy was rescinded for an alleged failure to disclose members of  
12 Plaintiff's household.

13 278. That at all times herein mentioned Plaintiff had in force and effect an automobile  
14 insurance policy with defendants.

15 279. Implied into the terms and conditions of the above referenced insurance policy is  
16 that "Defendant Insurance Company(ies)" would at all times deal with Plaintiff in good faith and  
17 with fair dealing. That at all times, the "Defendant Insurance Company(ies)" have not dealt with  
18 Plaintiff with good faith and fair dealing.

19 280. The above reasoning for refusing to pay Plaintiff's claim is fallacious and merely  
20 a ruse for "Defendant Insurance Company(ies)" refusal and failure to honor the terms and  
21 conditions of the policies of insurance. At all times herein mentioned, there was no material  
22 misrepresentation by Plaintiff and "Defendant Insurance Company(ies)" assertion thereof was  
23 done with the intent and purpose to avoid paying Plaintiff's claims, including their collision  
24 claim.

25 281. That at all times herein mention the policy of insurance issued by and  
26 underwritten by the defendants also contained liability coverage. The defendants and each of  
27 them engaged in post claim underwriting for purposes of rescinding the insurance policy and  
28 denying coverage

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1           282. By engaging in the above referenced conduct, the "Defendant Insurance  
2 Company(ies)" and each of them have breached the implied covenant of good faith and fair  
3 dealing and have acted in bad faith toward Plaintiff.

4           283. As a proximate result of the wrongful conduct of "Defendant Insurance  
5 Company(ies)," and each of them, Plaintiff has sustained economic damages in excess of the  
6 minimum amount required for jurisdiction of the above-entitled court and which will be shown  
7 according to proof at the time of trial.

8           284. The above referenced conduct was done willfully and maliciously by "Defendant  
9 Insurance Company(ies)." Their refusal to pay the insurance policy benefits was done in  
10 conscious disregard of Plaintiff's rights with full knowledge that under the insurance policy as  
11 written, they were obligated to pay for Plaintiff's losses, yet refused to do so, knowing that said  
12 refusal would cause injury to Plaintiff. The "Defendant Insurance Company(ies)" conduct is  
13 despicable in that "Defendant Insurance Company(ies)" knew they had an obligation to pay for  
14 Plaintiff's losses, yet in total derogation of Plaintiff's rights, refused to pay for said losses.

15           **Comes now Plaintiff JONI CISOWSKI, and alleges for a Second Cause of Action**  
16 **for Unfair Business Practice against Defendants National General Insurance Company,**  
17 **Integon National Insurance Company, and Does 1-50, as follows:**

18           285. Plaintiff hereby incorporates by reference as though set forth in full herein,  
19 Paragraphs 1 through 10, inclusive. On or about July of 2019, Plaintiff was in an auto accident  
20 where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly thereafter,  
21 Plaintiff's automobile policy was rescinded for an alleged failure to disclose members of  
22 Plaintiff's household.

23           286. That at all times herein mentioned Plaintiff had in force and effect an automobile  
24 insurance policy with defendants.

25           287. At all times herein mentioned, "Defendant Insurance Company(ies)" have  
26 engaged in unfair, unlawful and/or fraudulent business practices in violation of Business and  
27 Professions Code, sections 17200 et seq. The "Defendant Insurance Company(ies)" issue and/or  
28 underwrite policies of automobile insurance which typically have minimum policy limits. Their



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1 insureds are typically high risk, unsophisticated consumers. The policies of insurance maintain  
2 exclusions and definitions not found in the typical automobile policy. At all times herein  
3 mentioned the "Defendant Insurance Company(ies)" engaged in the business practice whereby  
4 when dealing with first party collision claims, the "Defendant Insurance Company(ies)" in  
5 referencing their "Reduced Coverage Disclosure Summary," the application for insurance,  
6 and/or certain provisions in the insurance policy itself, deny coverage based on immaterial  
7 provisions of said Disclosure, application, and/or insurance policy. In conjunction therewith,  
8 "Defendant Insurance Company(ies)" unilaterally send a notice of rescission and return the  
9 premiums paid. Specifically, the "Defendant Insurance Company(ies)" and each of them issue  
10 and/or underwrite policies of automobile insurance providing Collision coverage. By the terms  
11 of the policies, the collision coverage is applicable only when an insured vehicle is being driven  
12 by the named insured. Following an accident in which the insured's(s') vehicle(s) is(are) being  
13 driven by the named insured(s), the "Defendant Insurance Company(ies)" deny coverage based  
14 on the insured's(s') failure to inform defendants that the named insured(s) lived with family  
15 members, relatives, and/or other household members. Said rationale for denying coverage is  
16 irrelevant and immaterial in that the collision coverage underwritten and/or issued is present only  
17 when the insured vehicle(s) is being driven by the named insured(s) (and not when being driven  
18 by a family member, relative, or other permissive user.). As a result of this fraudulent, unlawful  
19 or unfair business practice, the "Defendant Insurance Company(ies)" save millions of dollars by  
20 not paying covered claims.

21 The "Defendant Insurance Company(ies)" have engaged in the pattern and practice of  
22 rescinding insurance policies of otherwise covered claims based on the immaterial provisions of  
23 the application for insurance and/or the insurance policy. The policy and practice of "Defendant  
24 Insurance Company(ies)" is to cover collision damage under very restrictive policy provisions in  
25 which said collision damage is covered only if the collision involves a covered vehicle driven by  
26 a named insured. If the covered vehicle is not involved in an accident, the "Defendant Insurance  
27 Company(ies)" profit from receipt of the premium. If the covered vehicle is involved in an  
28 accident when being driven by a named insured the "Defendant Insurance Company(ies)"

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1 engage in post-accident underwriting by rescinding the policy on an immaterial representation in  
2 the application or an immaterial policy provision, saving themselves millions of dollars by not  
3 reimbursing their insured for a covered claim. The "Defendant Insurance  
4 Company(ies)" unlawfully and unfairly take advantage of their insureds all to the "Defendant  
5 Insurance Company(ies)" financial benefit.

6       The conduct as herein alleged is unfair within the meaning of Business and Professions  
7 Code sections 17200 et seq. By not covering collision damage pursuant to the terms of the  
8 insurance policy, and rescinding the policy, the plaintiffs have suffered substantial damages in  
9 that plaintiffs were not reimbursed for the collision damages to their vehicles which in almost all  
10 cases are in the thousands of dollars per vehicle. The injury to plaintiffs by "Defendant  
11 Insurance Company(ies)"s wrongful conduct is not outweighed by any countervailing benefits to  
12 consumers. There is no benefit to the consuming public for members of the public to pay  
13 insurance premiums to "Defendant Insurance Company(ies)" for collision damage for their  
14 vehicles, and then after making a claim, have the "Defendant Insurance Company(ies)" rescind  
15 the insurance policy based on an immaterial term in the policy or application. The net result of  
16 said conduct is that "Defendant Insurance Company(ies)" unfairly avoid their contractual  
17 responsibilities under the insurance policies all to the benefit of the "Defendant Insurance  
18 Company(ies)" and all to the detriment of their policy holders, the consuming public. Further,  
19 the injury to plaintiffs could not be reasonably avoided and was not foreseeable. At all times,  
20 most of the policies of insurance underwritten and/or issued by "Defendant Insurance  
21 Company(ies)" were written with the minimum required limits of 15/30/5. The insureds are high  
22 risk and need to pay premiums on a monthly basis. Few insurance companies are willing to  
23 underwrite or issue policies to individuals in plaintiffs' position. As a result, plaintiffs have few  
24 other choices in the insurance market to obtain legally mandated insurance. Additionally, the  
25 injury to plaintiffs as a result of "Defendant Insurance Company(ies)" wrongful conduct in  
26 rescinding the policies was not foreseeable. Here, plaintiffs and each of them purchased  
27 insurance policies covering collision damage. The policies were written by "Defendant  
28 Insurance Company(ies)" and understood by plaintiffs' to cover collision damage to the covered

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1 vehicle only when being driven by the named insured. In each instance alleged herein the  
2 covered vehicles were being driven by the named insureds; as such it was unforeseeable to  
3 plaintiffs that they would not be reimbursed for damage to their respective vehicles. After the  
4 collision however, defendants inquired of plaintiffs whether they respectively resided with a  
5 relative or other person. Based on this after the fact investigation the "Defendant Insurance  
6 Company(ies)" in each instance alleged herein, unforeseeably rescinded the contract based on an  
7 immaterial term irrelevant to the terms of coverage and contrary to the reasonable expectations  
8 of their insureds.

9 Additionally, said business practice is unlawful and contrary to the law as set forth in  
10 Insurance Code, section 359. The "Defendant Insurance Company(ies)" and each of them  
11 unlawfully rescind the insurance contracts based on alleged misrepresentations or concealment  
12 by the insureds, which are not material as required by Insurance Code section 359. The  
13 fallacious grounds used by "Defendant Insurance Company(ies)" to rescind said policies is  
14 wholly irrelevant and immaterial to the underwriting and or issuance of collision coverage, all in  
15 derogation of the express provisions of Insurance Code section 359.

16 Said business practice is fraudulent in that the "Defendant Insurance Company(ies)"  
17 represent to their insureds in both the application and in the insurance policy that the insured will  
18 be covered for collision damage in the event of an accident wherein the covered vehicle is being  
19 driven by the named insured. In reliance on these representations the insureds procure insurance  
20 from "Defendant Insurance Company(ies)" and continue to pay monthly premiums to  
21 "Defendant Insurance Company(ies)" on their insurance policies. The representations by the  
22 "Defendant Insurance Company(ies)" are in fact false; following an accident in which the  
23 covered vehicle is being driven by the named insured, the "Defendant Insurance Company(ies)"  
24 refuse to cover the loss and rescind the policy based on an immaterial provision or disclosure in  
25 the application and insurance policy. Had plaintiffs known of the true facts, plaintiffs would not  
26 have procured collision coverage through "Defendant Insurance Company(ies)"

27 The Defendant Insurance Companies further engaged in fraudulent, deceptive and  
28 unlawful conduct in knowingly allowing their insurance brokers and agents to fail to

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1 communicate to Defendant Insurance Companies the fact that their insureds during the policy  
2 period, had changed addresses and/or moved in with other individuals. In encouraging and/or  
3 allowing said business practice to occur, the Defendant Insurance Companies are therefore able  
4 to deny coverage on an immaterial representation (or alleged failure to represent) relative to  
5 coverage. In knowingly allowing said insurance brokers and agents to engage in said conduct,  
6 said Defendant Insurance Companies must be deemed to have imputed knowledge as to the facts  
7 communicated by their insured(s) to said brokers and agents.

8 That the policies of insurance issued by the defendants and each of them, also contained  
9 liability insurance. The defendants and each of them engaged in unfair business practices by  
10 rescinding said policy of insurance and denying coverage, by engaging in post claim  
11 underwriting.

12 288. In denying Plaintiff(s)' collision claim(s), the "Defendant Insurance  
13 Company(ies)" and each of them relied on immaterial provisions of the Disclosure form, the  
14 application and/or the insurance policy as grounds for not covering Plaintiff(s)' collision  
15 claim(s). "Defendant Insurance Company(ies)"s unilaterally attempted to rescind the contract by  
16 returning the premiums paid by Plaintiff(s). As a result of this fraudulent and unfair business  
17 practice, plaintiffs have been deprived of the benefits which were due and owing under the terms  
18 and conditions of the respective insurance policies.

19 289. At all times herein mentioned the "Defendant Insurance Company(ies)" were  
20 unjustly enriched at the expense of Plaintiff(s), by retaining money due and owing Plaintiff(s).

21 290. As a result of "Defendant Insurance Company(ies)" retaining the money (the  
22 amount of collision damage due and owing Plaintiff, Plaintiff is entitled to restitution and/or  
23 restitutionary disgorgement of the amount to reimburse Plaintiff for her collision loss.

24 **Comes now Plaintiff JONI CISOWSKI, and alleges for a Third Cause of Action for**  
25 **Breach of Contract against Defendants National General Insurance Company, Integon**  
26 **National Insurance Company and Does 1-50, as follows:**

27 291. Plaintiff hereby incorporates by reference as though set forth in full herein,  
28 Paragraphs 1 through 10, inclusive. On or about July of 2019, Plaintiff was in an auto accident

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1 where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly thereafter,  
2 Plaintiff's automobile policy was rescinded for an alleged failure to disclose members of  
3 Plaintiff's household.

4 292. That at all times herein mentioned Plaintiff had in force and effect an automobile  
5 insurance policy with defendants.

6 293. The "Defendant Insurance Company(ies)" breached the herein alleged insurance  
7 contract by not paying to Plaintiff the benefits due and owing under said insurance policy.

8 294. As special damages flowing from "Defendant Insurance Company(ies)" breach of  
9 contract, Plaintiff has sustained economic damages for the collision damage sustained by and the  
10 value of his or her car. Plaintiff also sustained other economic damages in liability to third  
11 parties. Plaintiff has sustained further economic damages in that Plaintiff's attorney is  
12 prosecuting the present matter. Plaintiff has and will continue to incur attorney's fees in the  
13 prosecution of this cause of action.

14 295. As a consequential result of the wrongful conduct of "Defendant Insurance  
15 Company(ies)", and each of them, Plaintiff has and or will sustain damages in an amount  
16 currently unknown to Plaintiff, but which will be shown according to proof at the time of trial.

17 **Comes now Plaintiff SATIN WEAVER, and alleges for a First Cause of Action for**  
18 **Bad Faith (Breach of the Implied Covenant of Good Faith and Fair Dealing) against**  
19 **Defendants National General Insurance Company and Integon National Insurance**  
20 **Company and Does 1-50, as follows:**

21 296. Plaintiffs hereby incorporates by reference as though set forth in full herein  
22 Paragraphs 1 through 10, inclusive. On or about August 16, 2019, Plaintiff was in an auto  
23 accident where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly  
24 thereafter, Plaintiff's automobile policy was rescinded for an alleged failure to disclose members  
25 of Plaintiff's household.

26 297. That at all times herein mentioned Plaintiff had in force and effect an automobile  
27 insurance policy with defendants.

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1           298. Implied into the terms and conditions of the above referenced insurance policy is  
2 that "Defendant Insurance Company(ies)" would at all times deal with Plaintiff in good faith and  
3 with fair dealing. That at all times, the "Defendant Insurance Company(ies)" have not dealt with  
4 Plaintiff with good faith and fair dealing.

5           299. The above reasoning for refusing to pay Plaintiff's claim is fallacious and merely  
6 a ruse for "Defendant Insurance Company(ies)" refusal and failure to honor the terms and  
7 conditions of the policies of insurance. At all times herein mentioned, there was no material  
8 misrepresentation by Plaintiff and "Defendant Insurance Company(ies)" assertion thereof was  
9 done with the intent and purpose to avoid paying Plaintiff's claims, including their collision  
10 claim.

11           300. That at all times herein mention the policy of insurance issued by and  
12 underwritten by the defendants also contained liability coverage. The defendants and each of  
13 them engaged in post claim underwriting for purposes of rescinding the insurance policy and  
14 denying coverage

15           301. By engaging in the above referenced conduct, the "Defendant Insurance  
16 Company(ies)" and each of them have breached the implied covenant of good faith and fair  
17 dealing and have acted in bad faith toward Plaintiff.

18           302. As a proximate result of the wrongful conduct of "Defendant Insurance  
19 Company(ies)," and each of them, Plaintiff has sustained economic damages in excess of the  
20 minimum amount required for jurisdiction of the above-entitled court and which will be shown  
21 according to proof at the time of trial.

22           303. The above referenced conduct was done willfully and maliciously by "Defendant  
23 Insurance Company(ies)." Their refusal to pay the insurance policy benefits was done in  
24 conscious disregard of Plaintiff's rights with full knowledge that under the insurance policy as  
25 written, they were obligated to pay for Plaintiff's losses, yet refused to do so, knowing that said  
26 refusal would cause injury to Plaintiff. The "Defendant Insurance Company(ies)" conduct is  
27 despicable in that "Defendant Insurance Company(ies)" knew they had an obligation to pay for  
28 Plaintiff's losses, yet in total derogation of Plaintiff's rights, refused to pay for said losses.

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1 Comes now Plaintiff SATIN WEAVER, and alleges for a Second Cause of Action  
2 for Unfair Business Practice against Defendants National General Insurance Company,  
3 Integon National Insurance Company, and Does 1-50, as follows:

4 304. Plaintiff hereby incorporates by reference as though set forth in full herein,  
5 Paragraphs 1 through 10, inclusive. On or about August 16, 2019, Plaintiff was in an auto  
6 accident where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly  
7 thereafter, Plaintiff's automobile policy was rescinded for an alleged failure to disclose members  
8 of Plaintiff's household.

9 305. That at all times herein mentioned Plaintiff had in force and effect an automobile  
10 insurance policy with defendants.

11 306. At all times herein mentioned, "Defendant Insurance Company(ies)" have  
12 engaged in unfair, unlawful and/or fraudulent business practices in violation of Business and  
13 Professions Code, sections 17200 et seq. The "Defendant Insurance Company(ies)" issue and/or  
14 underwrite policies of automobile insurance which typically have minimum policy limits. Their  
15 insureds are typically high risk, unsophisticated consumers. The policies of insurance maintain  
16 exclusions and definitions not found in the typical automobile policy. At all times herein  
17 mentioned the "Defendant Insurance Company(ies)" engaged in the business practice whereby  
18 when dealing with first party collision claims, the "Defendant Insurance Company(ies)" in  
19 referencing their "Reduced Coverage Disclosure Summary," the application for insurance,  
20 and/or certain provisions in the insurance policy itself, deny coverage based on immaterial  
21 provisions of said Disclosure, application, and/or insurance policy. In conjunction therewith,  
22 "Defendant Insurance Company(ies)" unilaterally send a notice of rescission and return the  
23 premiums paid. Specifically, the "Defendant Insurance Company(ies)" and each of them issue  
24 and/or underwrite policies of automobile insurance providing Collision coverage. By the terms  
25 of the policies, the collision coverage is applicable only when an insured vehicle is being driven  
26 by the named insured. Following an accident in which the insured's(s) vehicle(s) is(are) being  
27 driven by the named insured(s), the "Defendant Insurance Company(ies)" deny coverage based  
28 on the insured's(s) failure to inform defendants that the named insured(s) lived with family

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1 members, relatives, and/or other household members. Said rationale for denying coverage is  
2 irrelevant and immaterial in that the collision coverage underwritten and/or issued is present only  
3 when the insured vehicle(s) is being driven by the named insured(s) (and not when being driven  
4 by a family member, relative, or other permissive user.). As a result of this fraudulent, unlawful  
5 or unfair business practice, the "Defendant Insurance Company(ies)" save millions of dollars by  
6 not paying covered claims.

7 The "Defendant Insurance Company(ies)" have engaged in the pattern and practice of  
8 rescinding insurance policies of otherwise covered claims based on the immaterial provisions of  
9 the application for insurance and/or the insurance policy. The policy and practice of "Defendant  
10 Insurance Company(ies)" is to cover collision damage under very restrictive policy provisions in  
11 which said collision damage is covered only if the collision involves a covered vehicle driven by  
12 a named insured. If the covered vehicle is not involved in an accident, the "Defendant Insurance  
13 Company(ies)" profit from receipt of the premium. If the covered vehicle is involved in an  
14 accident when being driven by a named insured the "Defendant Insurance Company(ies)"  
15 engage in post-accident underwriting by rescinding the policy on an immaterial representation in  
16 the application or an immaterial policy provision, saving themselves millions of dollars by not  
17 reimbursing their insured for a covered claim. The "Defendant Insurance  
18 Company(ies)" unlawfully and unfairly take advantage of their insureds all to the "Defendant  
19 Insurance Company(ies)" financial benefit.

20 The conduct as herein alleged is unfair within the meaning of Business and Professions  
21 Code sections 17200 et seq. By not covering collision damage pursuant to the terms of the  
22 insurance policy, and rescinding the policy, the plaintiffs have suffered substantial damages in  
23 that plaintiffs were not reimbursed for the collision damages to their vehicles which in almost all  
24 cases are in the thousands of dollars per vehicle. The injury to plaintiffs by "Defendant  
25 Insurance Company(ies)"s wrongful conduct is not outweighed by any countervailing benefits to  
26 consumers. There is no benefit to the consuming public for members of the public to pay  
27 insurance premiums to "Defendant Insurance Company(ies)" for collision damage for their  
28 vehicles, and then after making a claim, have the "Defendant Insurance Company(ies)" rescind



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1 the insurance policy based on an immaterial term in the policy or application. The net result of  
2 said conduct is that "Defendant Insurance Company(ies)" unfairly avoid their contractual  
3 responsibilities under the insurance policies all to the benefit of the "Defendant Insurance  
4 Company(ies)" and all to the detriment of their policy holders, the consuming public. Further,  
5 the injury to plaintiffs could not be reasonably avoided and was not foreseeable. At all times,  
6 most of the policies of insurance underwritten and/or issued by "Defendant Insurance  
7 Company(ies)" were written with the minimum required limits of 15/30/5. The insureds are high  
8 risk and need to pay premiums on a monthly basis. Few insurance companies are willing to  
9 underwrite or issue policies to individuals in plaintiffs' position. As a result, plaintiffs have few  
10 other choices in the insurance market to obtain legally mandated insurance. Additionally, the  
11 injury to plaintiffs as a result of "Defendant Insurance Company(ies)" wrongful conduct in  
12 rescinding the policies was not foreseeable. Here, plaintiffs and each of them purchased  
13 insurance policies covering collision damage. The policies were written by "Defendant  
14 Insurance Company(ies)" and understood by plaintiffs' to cover collision damage to the covered  
15 vehicle only when being driven by the named insured. In each instance alleged herein the  
16 covered vehicles were being driven by the named insureds; as such it was unforeseeable to  
17 plaintiffs that they would not be reimbursed for damage to their respective vehicles. After the  
18 collision however, defendants inquired of plaintiffs whether they respectively resided with a  
19 relative or other person. Based on this after the fact investigation the "Defendant Insurance  
20 Company(ies)" in each instance alleged herein, unforeseeably rescinded the contract based on an  
21 immaterial term irrelevant to the terms of coverage and contrary to the reasonable expectations  
22 of their insureds.

23 Additionally, said business practice is unlawful and contrary to the law as set forth in  
24 Insurance Code, section 359. The "Defendant Insurance Company(ies)" and each of them  
25 unlawfully rescind the insurance contracts based on alleged misrepresentations or concealment  
26 by the insureds, which are not material as required by Insurance Code section 359. The  
27 fallacious grounds used by "Defendant Insurance Company(ies)" to rescind said policies is

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1 wholly irrelevant and immaterial to the underwriting and or issuance of collision coverage, all in  
2 derogation of the express provisions of Insurance Code section 359.

3 Said business practice is fraudulent in that the "Defendant Insurance Company(ies)"  
4 represent to their insureds in both the application and in the insurance policy that the insured will  
5 be covered for collision damage in the event of an accident wherein the covered vehicle is being  
6 driven by the named insured. In reliance on these representations the insureds procure insurance  
7 from "Defendant Insurance Company(ies)" and continue to pay monthly premiums to  
8 "Defendant Insurance Company(ies)" on their insurance policies. The representations by the  
9 "Defendant Insurance Company(ies)" are in fact false; following an accident in which the  
10 covered vehicle is being driven by the named insured, the "Defendant Insurance Company(ies)"  
11 refuse to cover the loss and rescind the policy based on an immaterial provision or disclosure in  
12 the application and insurance policy. Had plaintiffs known of the true facts, plaintiffs would not  
13 have procured collision coverage through "Defendant Insurance Company(ies)"

14 The Defendant Insurance Companies further engaged in fraudulent, deceptive and  
15 unlawful conduct in knowingly allowing their insurance brokers and agents to fail to  
16 communicate to Defendant Insurance Companies the fact that their insureds during the policy  
17 period, had changed addresses and/or moved in with other individuals. In encouraging and/or  
18 allowing said business practice to occur, the Defendant Insurance Companies are therefore able  
19 to deny coverage on an immaterial representation (or alleged failure to represent) relative to  
20 coverage. In knowingly allowing said insurance brokers and agents to engage in said conduct,  
21 said Defendant Insurance Companies must be deemed to have imputed knowledge as to the facts  
22 communicated by their insured(s) to said brokers and agents.

23 That the policies of insurance issued by the defendants and each of them, also contained  
24 liability insurance. The defendants and each of them engaged in unfair business practices by  
25 rescinding said policy of insurance and denying coverage, by engaging in post claim  
26 underwriting.

27 307. In denying Plaintiff's(s) collision claim(s), the "Defendant Insurance  
28 Company(ies)" and each of them relied on immaterial provisions of the Disclosure form, the

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1 application and/or the insurance policy as grounds for not covering Plaintiff(s) collision  
2 claim(s). "Defendant Insurance Company(ies)"s unilaterally attempted to rescind the contract by  
3 returning the premiums paid by Plaintiff(s). As a result of this fraudulent and unfair business  
4 practice, plaintiffs have been deprived of the benefits which were due and owing under the terms  
5 and conditions of the respective insurance policies.

6 308. At all times herein mentioned the "Defendant Insurance Company(ies)" were  
7 unjustly enriched at the expense of Plaintiff(s), by retaining money due and owing Plaintiff(s).

8 309. As a result of "Defendant Insurance Company(ies)" retaining the money (the  
9 amount of collision damage due and owing Plaintiff, Plaintiff is entitled to restitution and/or  
10 restitutionary disgorgement of the amount to reimburse Plaintiff for her collision loss.

11 **Comes now Plaintiff SATIN WEAVER, and alleges for a Third Cause of Action for**  
12 **Breach of Contract against Defendants National General Insurance Company, Integon**  
13 **National Insurance Company and Does 1-50, as follows:**

14 310. Plaintiff hereby incorporates by reference as though set forth in full herein,  
15 Paragraphs 1 through 10, inclusive. On or about August 16, 2019, Plaintiff was in an auto  
16 accident where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly  
17 thereafter, Plaintiff's automobile policy was rescinded for an alleged failure to disclose members  
18 of Plaintiff's household.

19 311. That at all times herein mentioned Plaintiff had in force and effect an automobile  
20 insurance policy with defendants.

21 312. The "Defendant Insurance Company(ies)" breached the herein alleged insurance  
22 contract by not paying to Plaintiff the benefits due and owing under said insurance policy.

23 313. As special damages flowing from "Defendant Insurance Company(ies)" breach of  
24 contract, Plaintiff has sustained economic damages for the collision damage sustained by and the  
25 value of his or her car. Plaintiff also sustained other economic damages in liability to third  
26 parties. Plaintiff has sustained further economic damages in that Plaintiff's attorney is  
27 prosecuting the present matter. Plaintiff has and will continue to incur attorney's fees in the  
28 prosecution of this cause of action.

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1           314. As a consequential result of the wrongful conduct of "Defendant Insurance  
2 Company(ies)", and each of them, Plaintiff has and or will sustain damages in an amount  
3 currently unknown to Plaintiff, but which will be shown according to proof at the time of trial.

4           **Comes now Plaintiff WALTER SALAZAR MARTINEZ, and alleges for a First**  
5 **Cause of Action for Bad Faith (Breach of the Implied Covenant of Good Faith and Fair**  
6 **Dealing) against Defendants National General Insurance Company and Integon National**  
7 **Insurance Company and Does 1-50, as follows:**

8           315. Plaintiffs hereby incorporates by reference as though set forth in full herein  
9 Paragraphs 1 through 10, inclusive. On or about August of 2019, Plaintiff was in an auto  
10 accident where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly  
11 thereafter, Plaintiff's automobile policy was rescinded for an alleged failure to disclose members  
12 of Plaintiff's household.

13           316. That at all times herein mentioned Plaintiff had in force and effect an automobile  
14 insurance policy with defendants.

15           317. Implied into the terms and conditions of the above referenced insurance policy is  
16 that "Defendant Insurance Company(ies)" would at all times deal with Plaintiff in good faith and  
17 with fair dealing. That at all times, the "Defendant Insurance Company(ies)" have not dealt with  
18 Plaintiff with good faith and fair dealing.

19           318. The above reasoning for refusing to pay Plaintiff's claim is fallacious and merely  
20 a ruse for "Defendant Insurance Company(ies)" refusal and failure to honor the terms and  
21 conditions of the policies of insurance. At all times herein mentioned, there was no material  
22 misrepresentation by Plaintiff and "Defendant Insurance Company(ies)" assertion thereof was  
23 done with the intent and purpose to avoid paying Plaintiff's claims, including their collision  
24 claim.

25           319. That at all times herein mention the policy of insurance issued by and  
26 underwritten by the defendants also contained liability coverage. The defendants and each of  
27 them engaged in post claim underwriting for purposes of rescinding the insurance policy and  
28 denying coverage

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1 320. By engaging in the above referenced conduct, the "Defendant Insurance  
2 Company(ies)" and each of them have breached the implied covenant of good faith and fair  
3 dealing and have acted in bad faith toward Plaintiff.

4 321. As a proximate result of the wrongful conduct of "Defendant Insurance  
5 Company(ies)," and each of them, Plaintiff has sustained economic damages in excess of the  
6 minimum amount required for jurisdiction of the above-entitled court and which will be shown  
7 according to proof at the time of trial.

8 322. The above referenced conduct was done willfully and maliciously by "Defendant  
9 Insurance Company(ies)." Their refusal to pay the insurance policy benefits was done in  
10 conscious disregard of Plaintiff's rights with full knowledge that under the insurance policy as  
11 written, they were obligated to pay for Plaintiff's losses, yet refused to do so, knowing that said  
12 refusal would cause injury to Plaintiff. The "Defendant Insurance Company(ies)" conduct is  
13 despicable in that "Defendant Insurance Company(ies)" knew they had an obligation to pay for  
14 Plaintiff's losses, yet in total derogation of Plaintiff's rights, refused to pay for said losses.

15 **Comes now Plaintiff WALTER SALAZAR MARTINEZ, and alleges for a Second**  
16 **Cause of Action for Unfair Business Practice against Defendants National General**  
17 **Insurance Company, Integon National Insurance Company, and Does 1-50, as follows:**

18 323. Plaintiff hereby incorporates by reference as though set forth in full herein,  
19 Paragraphs 1 through 10, inclusive. On or about August of 2019, Plaintiff was in an auto  
20 accident where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly  
21 thereafter, Plaintiff's automobile policy was rescinded for an alleged failure to disclose members  
22 of Plaintiff's household.

23 324. That at all times herein mentioned Plaintiff had in force and effect an automobile  
24 insurance policy with defendants.

25 325. At all times herein mentioned, "Defendant Insurance Company(ies)" have  
26 engaged in unfair, unlawful and/or fraudulent business practices in violation of Business and  
27 Professions Code, sections 17200 et seq. The "Defendant Insurance Company(ies)" issue and/or  
28 underwrite policies of automobile insurance which typically have minimum policy limits. Their

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1 insureds are typically high risk, unsophisticated consumers. The policies of insurance maintain  
2 exclusions and definitions not found in the typical automobile policy. At all times herein  
3 mentioned the "Defendant Insurance Company(ies)" engaged in the business practice whereby  
4 when dealing with first party collision claims, the "Defendant Insurance Company(ies)" in  
5 referencing their "Reduced Coverage Disclosure Summary," the application for insurance,  
6 and/or certain provisions in the insurance policy itself, deny coverage based on immaterial  
7 provisions of said Disclosure, application, and/or insurance policy. In conjunction therewith,  
8 "Defendant Insurance Company(ies)" unilaterally send a notice of rescission and return the  
9 premiums paid. Specifically, the "Defendant Insurance Company(ies)" and each of them issue  
10 and/or underwrite policies of automobile insurance providing Collision coverage. By the terms  
11 of the policies, the collision coverage is applicable only when an insured vehicle is being driven  
12 by the named insured. Following an accident in which the insured's(s') vehicle(s) is(are) being  
13 driven by the named insured(s), the "Defendant Insurance Company(ies)" deny coverage based  
14 on the insured's(s') failure to inform defendants that the named insured(s) lived with family  
15 members, relatives, and/or other household members. Said rationale for denying coverage is  
16 irrelevant and immaterial in that the collision coverage underwritten and/or issued is present only  
17 when the insured vehicle(s) is being driven by the named insured(s) (and not when being driven  
18 by a family member, relative, or other permissive user.). As a result of this fraudulent, unlawful  
19 or unfair business practice, the "Defendant Insurance Company(ies)" save millions of dollars by  
20 not paying covered claims.

21 The "Defendant Insurance Company(ies)" have engaged in the pattern and practice of  
22 rescinding insurance policies of otherwise covered claims based on the immaterial provisions of  
23 the application for insurance and/or the insurance policy. The policy and practice of "Defendant  
24 Insurance Company(ies)" is to cover collision damage under very restrictive policy provisions in  
25 which said collision damage is covered only if the collision involves a covered vehicle driven by  
26 a named insured. If the covered vehicle is not involved in an accident, the "Defendant Insurance  
27 Company(ies)" profit from receipt of the premium. If the covered vehicle is involved in an  
28 accident when being driven by a named insured the "Defendant Insurance Company(ies)"

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1 engage in post-accident underwriting by rescinding the policy on an immaterial representation in  
2 the application or an immaterial policy provision, saving themselves millions of dollars by not  
3 reimbursing their insured for a covered claim. The "Defendant Insurance  
4 Company(ies)" unlawfully and unfairly take advantage of their insureds all to the "Defendant  
5 Insurance Company(ies)" financial benefit.

6 The conduct as herein alleged is unfair within the meaning of Business and Professions  
7 Code sections 17200 et seq. By not covering collision damage pursuant to the terms of the  
8 insurance policy, and rescinding the policy, the plaintiffs have suffered substantial damages in  
9 that plaintiffs were not reimbursed for the collision damages to their vehicles which in almost all  
10 cases are in the thousands of dollars per vehicle. The injury to plaintiffs by "Defendant  
11 Insurance Company(ies)"s wrongful conduct is not outweighed by any countervailing benefits to  
12 consumers. There is no benefit to the consuming public for members of the public to pay  
13 insurance premiums to "Defendant Insurance Company(ies)" for collision damage for their  
14 vehicles, and then after making a claim, have the "Defendant Insurance Company(ies)" rescind  
15 the insurance policy based on an immaterial term in the policy or application. The net result of  
16 said conduct is that "Defendant Insurance Company(ies)" unfairly avoid their contractual  
17 responsibilities under the insurance policies all to the benefit of the "Defendant Insurance  
18 Company(ies)" and all to the detriment of their policy holders, the consuming public. Further,  
19 the injury to plaintiffs could not be reasonably avoided and was not foreseeable. At all times,  
20 most of the policies of insurance underwritten and/or issued by "Defendant Insurance  
21 Company(ies)" were written with the minimum required limits of 15/30/5. The insureds are high  
22 risk and need to pay premiums on a monthly basis. Few insurance companies are willing to  
23 underwrite or issue policies to individuals in plaintiffs' position. As a result, plaintiffs have few  
24 other choices in the insurance market to obtain legally mandated insurance. Additionally, the  
25 injury to plaintiffs as a result of "Defendant Insurance Company(ies)" wrongful conduct in  
26 rescinding the policies was not foreseeable. Here, plaintiffs and each of them purchased  
27 insurance policies covering collision damage. The policies were written by "Defendant  
28 Insurance Company(ies)" and understood by plaintiffs' to cover collision damage to the covered

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1 vehicle only when being driven by the named insured. In each instance alleged herein the  
2 covered vehicles were being driven by the named insureds; as such it was unforeseeable to  
3 plaintiffs that they would not be reimbursed for damage to their respective vehicles. After the  
4 collision however, defendants inquired of plaintiffs whether they respectively resided with a  
5 relative or other person. Based on this after the fact investigation the "Defendant Insurance  
6 Company(ies)" in each instance alleged herein, unforeseeably rescinded the contract based on an  
7 immaterial term irrelevant to the terms of coverage and contrary to the reasonable expectations  
8 of their insureds.

9       Additionally, said business practice is unlawful and contrary to the law as set forth in  
10 Insurance Code, section 359. The "Defendant Insurance Company(ies)" and each of them  
11 unlawfully rescind the insurance contracts based on alleged misrepresentations or concealment  
12 by the insureds, which are not material as required by Insurance Code section 359. The  
13 fallacious grounds used by "Defendant Insurance Company(ies)" to rescind said policies is  
14 wholly irrelevant and immaterial to the underwriting and or issuance of collision coverage, all in  
15 derogation of the express provisions of Insurance Code section 359.

16       Said business practice is fraudulent in that the "Defendant Insurance Company(ies)"  
17 represent to their insureds in both the application and in the insurance policy that the insured will  
18 be covered for collision damage in the event of an accident wherein the covered vehicle is being  
19 driven by the named insured. In reliance on these representations the insureds procure insurance  
20 from "Defendant Insurance Company(ies)" and continue to pay monthly premiums to  
21 "Defendant Insurance Company(ies)" on their insurance policies. The representations by the  
22 "Defendant Insurance Company(ies)" are in fact false; following an accident in which the  
23 covered vehicle is being driven by the named insured, the "Defendant Insurance Company(ies)"  
24 refuse to cover the loss and rescind the policy based on an immaterial provision or disclosure in  
25 the application and insurance policy. Had plaintiffs known of the true facts, plaintiffs would not  
26 have procured collision coverage through "Defendant Insurance Company(ies)"

27       The Defendant Insurance Companies further engaged in fraudulent, deceptive and  
28 unlawful conduct in knowingly allowing their insurance brokers and agents to fail to



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1 communicate to Defendant Insurance Companies the fact that their insureds during the policy  
2 period, had changed addresses and/or moved in with other individuals. In encouraging and/or  
3 allowing said business practice to occur, the Defendant Insurance Companies are therefore able  
4 to deny coverage on an immaterial representation (or alleged failure to represent) relative to  
5 coverage. In knowingly allowing said insurance brokers and agents to engage in said conduct,  
6 said Defendant Insurance Companies must be deemed to have imputed knowledge as to the facts  
7 communicated by their insured(s) to said brokers and agents.

8 That the policies of insurance issued by the defendants and each of them, also contained  
9 liability insurance. The defendants and each of them engaged in unfair business practices by  
10 rescinding said policy of insurance and denying coverage, by engaging in post claim  
11 underwriting.

12 326. In denying Plaintiff's(s) collision claim(s), the "Defendant Insurance  
13 Company(ies)" and each of them relied on immaterial provisions of the Disclosure form, the  
14 application and/or the insurance policy as grounds for not covering Plaintiff's(s) collision  
15 claim(s). "Defendant Insurance Company(ies)"s unilaterally attempted to rescind the contract by  
16 returning the premiums paid by Plaintiff(s). As a result of this fraudulent and unfair business  
17 practice, plaintiffs have been deprived of the benefits which were due and owing under the terms  
18 and conditions of the respective insurance policies.

19 327. At all times herein mentioned the "Defendant Insurance Company(ies)" were  
20 unjustly enriched at the expense of Plaintiff(s), by retaining money due and owing Plaintiff(s).

21 328. As a result of "Defendant Insurance Company(ies)" retaining the money (the  
22 amount of collision damage due and owing Plaintiff, Plaintiff is entitled to restitution and/or  
23 restitutionary disgorgement of the amount to reimburse Plaintiff for her collision loss.

24 **Comes now Plaintiff WALTER SALAZAR MARTINEZ, and alleges for a Third**  
25 **Cause of Action for Breach of Contract against Defendants National General Insurance**  
26 **Company, Integon National Insurance Company and Does 1-50, as follows:**

27 329. Plaintiff hereby incorporates by reference as though set forth in full herein,  
28 Paragraphs 1 through 10, inclusive. On or about August of 2019, Plaintiff was in an auto

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1 accident where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly  
2 thereafter, Plaintiff's automobile policy was rescinded for an alleged failure to disclose members  
3 of Plaintiff's household.

4 330. That at all times herein mentioned Plaintiff had in force and effect an automobile  
5 insurance policy with defendants.

6 331. The "Defendant Insurance Company(ies)" breached the herein alleged insurance  
7 contract by not paying to Plaintiff the benefits due and owing under said insurance policy.

8 332. As special damages flowing from "Defendant Insurance Company(ies)" breach of  
9 contract, Plaintiff has sustained economic damages for the collision damage sustained by and the  
10 value of his or her car. Plaintiff also sustained other economic damages in liability to third  
11 parties. Plaintiff has sustained further economic damages in that Plaintiff's attorney is  
12 prosecuting the present matter. Plaintiff has and will continue to incur attorney's fees in the  
13 prosecution of this cause of action.

14 333. As a consequential result of the wrongful conduct of "Defendant Insurance  
15 Company(ies)", and each of them, Plaintiff has and or will sustain damages in an amount  
16 currently unknown to Plaintiff, but which will be shown according to proof at the time of trial.

17 **Comes now Plaintiff CORNELIUS L. SHIVERS, and alleges for a First Cause of**  
18 **Action for Bad Faith (Breach of the Implied Covenant of Good Faith and Fair Dealing)**  
19 **against Defendants National General Insurance Company and Integon National Insurance**  
20 **Company and Does 1-50, as follows:**

21 334. Plaintiffs hereby incorporates by reference as though set forth in full herein  
22 Paragraphs 1 through 10, inclusive. On or about September of 2019, Plaintiff was in an auto  
23 accident where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly  
24 thereafter, Plaintiff's automobile policy was rescinded for an alleged failure to disclose members  
25 of Plaintiff's household.

26 335. That at all times herein mentioned Plaintiff had in force and effect an automobile  
27 insurance policy with defendants.

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1 336. Implied into the terms and conditions of the above referenced insurance policy is  
2 that "Defendant Insurance Company(ies)" would at all times deal with Plaintiff in good faith and  
3 with fair dealing. That at all times, the "Defendant Insurance Company(ies)" have not dealt with  
4 Plaintiff with good faith and fair dealing.

5 337. The above reasoning for refusing to pay Plaintiff's claim is fallacious and merely  
6 a ruse for "Defendant Insurance Company(ies)" refusal and failure to honor the terms and  
7 conditions of the policies of insurance. At all times herein mentioned, there was no material  
8 misrepresentation by Plaintiff and "Defendant Insurance Company(ies)" assertion thereof was  
9 done with the intent and purpose to avoid paying Plaintiff's claims, including their collision  
10 claim.

11 338. That at all times herein mention the policy of insurance issued by and  
12 underwritten by the defendants also contained liability coverage. The defendants and each of  
13 them engaged in post claim underwriting for purposes of rescinding the insurance policy and  
14 denying coverage

15 339. By engaging in the above referenced conduct, the "Defendant Insurance  
16 Company(ies)" and each of them have breached the implied covenant of good faith and fair  
17 dealing and have acted in bad faith toward Plaintiff.

18 340. As a proximate result of the wrongful conduct of "Defendant Insurance  
19 Company(ies)," and each of them, Plaintiff has sustained economic damages in excess of the  
20 minimum amount required for jurisdiction of the above-entitled court and which will be shown  
21 according to proof at the time of trial.

22 341. The above referenced conduct was done willfully and maliciously by "Defendant  
23 Insurance Company(ies)." Their refusal to pay the insurance policy benefits was done in  
24 conscious disregard of Plaintiff's rights with full knowledge that under the insurance policy as  
25 written, they were obligated to pay for Plaintiff's losses, yet refused to do so, knowing that said  
26 refusal would cause injury to Plaintiff. The "Defendant Insurance Company(ies)" conduct is  
27 despicable in that "Defendant Insurance Company(ies)" knew they had an obligation to pay for  
28 Plaintiff's losses, yet in total derogation of Plaintiff's rights, refused to pay for said losses.

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1 Comes now Plaintiff CORNELIUS L. SHIVERS, and alleges for a Second Cause of  
2 Action for Unfair Business Practice against Defendants National General Insurance  
3 Company, Integon National Insurance Company, and Does 1-50, as follows:

4 342. Plaintiff hereby incorporates by reference as though set forth in full herein,  
5 Paragraphs 1 through 10, inclusive. On or about September of 2019, Plaintiff was in an auto  
6 accident where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly  
7 thereafter, Plaintiff's automobile policy was rescinded for an alleged failure to disclose members  
8 of Plaintiff's household.

9 343. That at all times herein mentioned Plaintiff had in force and effect an automobile  
10 insurance policy with defendants.

11 344. At all times herein mentioned, "Defendant Insurance Company(ies)" have  
12 engaged in unfair, unlawful and/or fraudulent business practices in violation of Business and  
13 Professions Code, sections 17200 et seq. The "Defendant Insurance Company(ies)" issue and/or  
14 underwrite policies of automobile insurance which typically have minimum policy limits. Their  
15 insureds are typically high risk, unsophisticated consumers. The policies of insurance maintain  
16 exclusions and definitions not found in the typical automobile policy. At all times herein  
17 mentioned the "Defendant Insurance Company(ies)" engaged in the business practice whereby  
18 when dealing with first party collision claims, the "Defendant Insurance Company(ies)" in  
19 referencing their "Reduced Coverage Disclosure Summary," the application for insurance,  
20 and/or certain provisions in the insurance policy itself, deny coverage based on immaterial  
21 provisions of said Disclosure, application, and/or insurance policy. In conjunction therewith,  
22 "Defendant Insurance Company(ies)" unilaterally send a notice of rescission and return the  
23 premiums paid. Specifically, the "Defendant Insurance Company(ies)" and each of them issue  
24 and/or underwrite policies of automobile insurance providing Collision coverage. By the terms  
25 of the policies, the collision coverage is applicable only when an insured vehicle is being driven  
26 by the named insured. Following an accident in which the insured's(s) vehicle(s) is(are) being  
27 driven by the named insured(s), the "Defendant Insurance Company(ies)" deny coverage based  
28 on the insured's(s) failure to inform defendants that the named insured(s) lived with family



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1 members, relatives, and/or other household members. Said rationale for denying coverage is  
2 irrelevant and immaterial in that the collision coverage underwritten and/or issued is present only  
3 when the insured vehicle(s) is being driven by the named insured(s) (and not when being driven  
4 by a family member, relative, or other permissive user.). As a result of this fraudulent, unlawful  
5 or unfair business practice, the "Defendant Insurance Company(ies)" save millions of dollars by  
6 not paying covered claims.

7 The "Defendant Insurance Company(ies)" have engaged in the pattern and practice of  
8 rescinding insurance policies of otherwise covered claims based on the immaterial provisions of  
9 the application for insurance and/or the insurance policy. The policy and practice of "Defendant  
10 Insurance Company(ies)" is to cover collision damage under very restrictive policy provisions in  
11 which said collision damage is covered only if the collision involves a covered vehicle driven by  
12 a named insured. If the covered vehicle is not involved in an accident, the "Defendant Insurance  
13 Company(ies)" profit from receipt of the premium. If the covered vehicle is involved in an  
14 accident when being driven by a named insured the "Defendant Insurance Company(ies)"  
15 engage in post-accident underwriting by rescinding the policy on an immaterial representation in  
16 the application or an immaterial policy provision, saving themselves millions of dollars by not  
17 reimbursing their insured for a covered claim. The "Defendant Insurance  
18 Company(ies)" unlawfully and unfairly take advantage of their insureds all to the "Defendant  
19 Insurance Company(ies)" financial benefit.

20 The conduct as herein alleged is unfair within the meaning of Business and Professions  
21 Code sections 17200 et seq. By not covering collision damage pursuant to the terms of the  
22 insurance policy, and rescinding the policy, the plaintiffs have suffered substantial damages in  
23 that plaintiffs were not reimbursed for the collision damages to their vehicles which in almost all  
24 cases are in the thousands of dollars per vehicle. The injury to plaintiffs by "Defendant  
25 Insurance Company(ies)"s wrongful conduct is not outweighed by any countervailing benefits to  
26 consumers. There is no benefit to the consuming public for members of the public to pay  
27 insurance premiums to "Defendant Insurance Company(ies)" for collision damage for their  
28 vehicles, and then after making a claim, have the "Defendant Insurance Company(ies)" rescind

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1 the insurance policy based on an immaterial term in the policy or application. The net result of  
2 said conduct is that "Defendant Insurance Company(ies)" unfairly avoid their contractual  
3 responsibilities under the insurance policies all to the benefit of the "Defendant Insurance  
4 Company(ies)" and all to the detriment of their policy holders, the consuming public. Further,  
5 the injury to plaintiffs could not be reasonably avoided and was not foreseeable. At all times,  
6 most of the policies of insurance underwritten and/or issued by "Defendant Insurance  
7 Company(ies)" were written with the minimum required limits of 15/30/5. The insureds are high  
8 risk and need to pay premiums on a monthly basis. Few insurance companies are willing to  
9 underwrite or issue policies to individuals in plaintiffs' position. As a result, plaintiffs have few  
10 other choices in the insurance market to obtain legally mandated insurance. Additionally, the  
11 injury to plaintiffs as a result of "Defendant Insurance Company(ies)" wrongful conduct in  
12 rescinding the policies was not foreseeable. Here, plaintiffs and each of them purchased  
13 insurance policies covering collision damage. The policies were written by "Defendant  
14 Insurance Company(ies)" and understood by plaintiffs' to cover collision damage to the covered  
15 vehicle only when being driven by the named insured. In each instance alleged herein the  
16 covered vehicles were being driven by the named insureds; as such it was unforeseeable to  
17 plaintiffs that they would not be reimbursed for damage to their respective vehicles. After the  
18 collision however, defendants inquired of plaintiffs whether they respectively resided with a  
19 relative or other person. Based on this after the fact investigation the "Defendant Insurance  
20 Company(ies)" in each instance alleged herein, unforeseeably rescinded the contract based on an  
21 immaterial term irrelevant to the terms of coverage and contrary to the reasonable expectations  
22 of their insureds.

23 Additionally, said business practice is unlawful and contrary to the law as set forth in  
24 Insurance Code, section 359. The "Defendant Insurance Company(ies)" and each of them  
25 unlawfully rescind the insurance contracts based on alleged misrepresentations or concealment  
26 by the insureds, which are not material as required by Insurance Code section 359. The  
27 fallacious grounds used by "Defendant Insurance Company(ies)" to rescind said policies is

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1 wholly irrelevant and immaterial to the underwriting and or issuance of collision coverage, all in  
2 derogation of the express provisions of Insurance Code section 359.

3 Said business practice is fraudulent in that the "Defendant Insurance Company(ies)"  
4 represent to their insureds in both the application and in the insurance policy that the insured will  
5 be covered for collision damage in the event of an accident wherein the covered vehicle is being  
6 driven by the named insured. In reliance on these representations the insureds procure insurance  
7 from "Defendant Insurance Company(ies)" and continue to pay monthly premiums to  
8 "Defendant Insurance Company(ies)" on their insurance policies. The representations by the  
9 "Defendant Insurance Company(ies)" are in fact false; following an accident in which the  
10 covered vehicle is being driven by the named insured, the "Defendant Insurance Company(ies)"  
11 refuse to cover the loss and rescind the policy based on an immaterial provision or disclosure in  
12 the application and insurance policy. Had plaintiffs known of the true facts, plaintiffs would not  
13 have procured collision coverage through "Defendant Insurance Company(ies)"

14 The Defendant Insurance Companies further engaged in fraudulent, deceptive and  
15 unlawful conduct in knowingly allowing their insurance brokers and agents to fail to  
16 communicate to Defendant Insurance Companies the fact that their insureds during the policy  
17 period, had changed addresses and/or moved in with other individuals. In encouraging and/or  
18 allowing said business practice to occur, the Defendant Insurance Companies are therefore able  
19 to deny coverage on an immaterial representation (or alleged failure to represent) relative to  
20 coverage. In knowingly allowing said insurance brokers and agents to engage in said conduct,  
21 said Defendant Insurance Companies must be deemed to have imputed knowledge as to the facts  
22 communicated by their insured(s) to said brokers and agents.

23 That the policies of insurance issued by the defendants and each of them, also contained  
24 liability insurance. The defendants and each of them engaged in unfair business practices by  
25 rescinding said policy of insurance and denying coverage, by engaging in post claim  
26 underwriting.

27 345. In denying Plaintiff(s)' collision claim(s), the "Defendant Insurance  
28 Company(ies)" and each of them relied on immaterial provisions of the Disclosure form, the



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1 application and/or the insurance policy as grounds for not covering Plaintiff(s)' collision  
2 claim(s). "Defendant Insurance Company(ies)"s unilaterally attempted to rescind the contract by  
3 returning the premiums paid by Plaintiff(s). As a result of this fraudulent and unfair business  
4 practice, plaintiffs have been deprived of the benefits which were due and owing under the terms  
5 and conditions of the respective insurance policies.

6 346. At all times herein mentioned the "Defendant Insurance Company(ies)" were  
7 unjustly enriched at the expense of Plaintiff(s), by retaining money due and owing Plaintiff(s).

8 347. As a result of "Defendant Insurance Company(ies)" retaining the money (the  
9 amount of collision damage due and owing Plaintiff, Plaintiff is entitled to restitution and/or  
10 restitutionary disgorgement of the amount to reimburse Plaintiff for her collision loss.

11 **Comes now Plaintiff CORNELIUS L. SHIVERS, and alleges for a Third Cause of**  
12 **Action for Breach of Contract against Defendants National General Insurance Company,**  
13 **Integon National Insurance Company and Does 1-50, as follows:**

14 348. Plaintiff hereby incorporates by reference as though set forth in full herein,  
15 Paragraphs 1 through 10, inclusive. On or about September of 2019, Plaintiff was in an auto  
16 accident where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly  
17 thereafter, Plaintiff's automobile policy was rescinded for an alleged failure to disclose members  
18 of Plaintiff's household.

19 349. That at all times herein mentioned Plaintiff had in force and effect an automobile  
20 insurance policy with defendants.

21 350. The "Defendant Insurance Company(ies)" breached the herein alleged insurance  
22 contract by not paying to Plaintiff the benefits due and owing under said insurance policy.

23 351. As special damages flowing from "Defendant Insurance Company(ies)" breach of  
24 contract, Plaintiff has sustained economic damages for the collision damage sustained by and the  
25 value of his or her car. Plaintiff also sustained other economic damages in liability to third  
26 parties. Plaintiff has sustained further economic damages in that Plaintiff's attorney is  
27 prosecuting the present matter. Plaintiff has and will continue to incur attorney's fees in the  
28 prosecution of this cause of action.

1           352. As a consequential result of the wrongful conduct of "Defendant Insurance  
2 Company(ies)", and each of them, Plaintiff has and or will sustain damages in an amount  
3 currently unknown to Plaintiff, but which will be shown according to proof at the time of trial.

4           **Comes now Plaintiff ANTONIO BENITO ARELLANO, and alleges for a First**  
5 **Cause of Action for Bad Faith (Breach of the Implied Covenant of Good Faith and Fair**  
6 **Dealing) against Defendants National General Insurance Company and Integon National**  
7 **Insurance Company and Does 1-50, as follows:**

8           353. Plaintiffs hereby incorporates by reference as though set forth in full herein  
9 Paragraphs 1 through 10, inclusive. On or about September 15, 2019, Plaintiff was in an auto  
10 accident where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly  
11 thereafter, Plaintiff's automobile policy was rescinded for an alleged failure to disclose members  
12 of Plaintiff's household.

13           354. That at all times herein mentioned Plaintiff had in force and effect an automobile  
14 insurance policy with defendants.

15           355. Implied into the terms and conditions of the above referenced insurance policy is  
16 that "Defendant Insurance Company(ies)" would at all times deal with Plaintiff in good faith and  
17 with fair dealing. That at all times, the "Defendant Insurance Company(ies)" have not dealt with  
18 Plaintiff with good faith and fair dealing.

19           356. The above reasoning for refusing to pay Plaintiff's claim is fallacious and merely  
20 a ruse for "Defendant Insurance Company(ies)" refusal and failure to honor the terms and  
21 conditions of the policies of insurance. At all times herein mentioned, there was no material  
22 misrepresentation by Plaintiff and "Defendant Insurance Company(ies)" assertion thereof was  
23 done with the intent and purpose to avoid paying Plaintiff's claims, including their collision  
24 claim.

25           357. That at all times herein mention the policy of insurance issued by and  
26 underwritten by the defendants also contained liability coverage. The defendants and each of  
27 them engaged in post claim underwriting for purposes of rescinding the insurance policy and  
28 denying coverage

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1 358. By engaging in the above referenced conduct, the "Defendant Insurance  
2 Company(ies)" and each of them have breached the implied covenant of good faith and fair  
3 dealing and have acted in bad faith toward Plaintiff.

4 359. As a proximate result of the wrongful conduct of "Defendant Insurance  
5 Company(ies)," and each of them, Plaintiff has sustained economic damages in excess of the  
6 minimum amount required for jurisdiction of the above-entitled court and which will be shown  
7 according to proof at the time of trial.

8 360. The above referenced conduct was done willfully and maliciously by "Defendant  
9 Insurance Company(ies)." Their refusal to pay the insurance policy benefits was done in  
10 conscious disregard of Plaintiff's rights with full knowledge that under the insurance policy as  
11 written, they were obligated to pay for Plaintiff's losses, yet refused to do so, knowing that said  
12 refusal would cause injury to Plaintiff. The "Defendant Insurance Company(ies)" conduct is  
13 despicable in that "Defendant Insurance Company(ies)" knew they had an obligation to pay for  
14 Plaintiff's losses, yet in total derogation of Plaintiff's rights, refused to pay for said losses.

15 **Comes now Plaintiff ANTONIO BENITO ARELLANO, and alleges for a Second**  
16 **Cause of Action for Unfair Business Practice against Defendants National General**  
17 **Insurance Company, Integon National Insurance Company, and Does 1-50, as follows:**

18 361. Plaintiff hereby incorporates by reference as though set forth in full herein,  
19 Paragraphs 1 through 10, inclusive. On or about September 15, 2019, Plaintiff was in an auto  
20 accident where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly  
21 thereafter, Plaintiff's automobile policy was rescinded for an alleged failure to disclose members  
22 of Plaintiff's household.

23 362. That at all times herein mentioned Plaintiff had in force and effect an automobile  
24 insurance policy with defendants.

25 363. At all times herein mentioned, "Defendant Insurance Company(ies)" have  
26 engaged in unfair, unlawful and/or fraudulent business practices in violation of Business and  
27 Professions Code, sections 17200 et seq. The "Defendant Insurance Company(ies)" issue and/or  
28 underwrite policies of automobile insurance which typically have minimum policy limits. Their

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1 insureds are typically high risk, unsophisticated consumers. The policies of insurance maintain  
2 exclusions and definitions not found in the typical automobile policy. At all times herein  
3 mentioned the "Defendant Insurance Company(ies)" engaged in the business practice whereby  
4 when dealing with first party collision claims, the "Defendant Insurance Company(ies)" in  
5 referencing their "Reduced Coverage Disclosure Summary," the application for insurance,  
6 and/or certain provisions in the insurance policy itself, deny coverage based on immaterial  
7 provisions of said Disclosure, application, and/or insurance policy. In conjunction therewith,  
8 "Defendant Insurance Company(ies)" unilaterally send a notice of rescission and return the  
9 premiums paid. Specifically, the "Defendant Insurance Company(ies)" and each of them issue  
10 and/or underwrite policies of automobile insurance providing Collision coverage. By the terms  
11 of the policies, the collision coverage is applicable only when an insured vehicle is being driven  
12 by the named insured. Following an accident in which the insured's(s') vehicle(s) is(are) being  
13 driven by the named insured(s), the "Defendant Insurance Company(ies)" deny coverage based  
14 on the insured's(s') failure to inform defendants that the named insured(s) lived with family  
15 members, relatives, and/or other household members. Said rationale for denying coverage is  
16 irrelevant and immaterial in that the collision coverage underwritten and/or issued is present only  
17 when the insured vehicle(s) is being driven by the named insured(s) (and not when being driven  
18 by a family member, relative, or other permissive user.). As a result of this fraudulent, unlawful  
19 or unfair business practice, the "Defendant Insurance Company(ies)" save millions of dollars by  
20 not paying covered claims.

21 The "Defendant Insurance Company(ies)" have engaged in the pattern and practice of  
22 rescinding insurance policies of otherwise covered claims based on the immaterial provisions of  
23 the application for insurance and/or the insurance policy. The policy and practice of "Defendant  
24 Insurance Company(ies)" is to cover collision damage under very restrictive policy provisions in  
25 which said collision damage is covered only if the collision involves a covered vehicle driven by  
26 a named insured. If the covered vehicle is not involved in an accident, the "Defendant Insurance  
27 Company(ies)" profit from receipt of the premium. If the covered vehicle is involved in an  
28 accident when being driven by a named insured the "Defendant Insurance Company(ies)"

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1 engage in post-accident underwriting by rescinding the policy on an immaterial representation in  
2 the application or an immaterial policy provision, saving themselves millions of dollars by not  
3 reimbursing their insured for a covered claim. The "Defendant Insurance  
4 Company(ies)" unlawfully and unfairly take advantage of their insureds all to the "Defendant  
5 Insurance Company(ies)" financial benefit.

6 The conduct as herein alleged is unfair within the meaning of Business and Professions  
7 Code sections 17200 et seq. By not covering collision damage pursuant to the terms of the  
8 insurance policy, and rescinding the policy, the plaintiffs have suffered substantial damages in  
9 that plaintiffs were not reimbursed for the collision damages to their vehicles which in almost all  
10 cases are in the thousands of dollars per vehicle. The injury to plaintiffs by "Defendant  
11 Insurance Company(ies)"s wrongful conduct is not outweighed by any countervailing benefits to  
12 consumers. There is no benefit to the consuming public for members of the public to pay  
13 insurance premiums to "Defendant Insurance Company(ies)" for collision damage for their  
14 vehicles, and then after making a claim, have the "Defendant Insurance Company(ies)" rescind  
15 the insurance policy based on an immaterial term in the policy or application. The net result of  
16 said conduct is that "Defendant Insurance Company(ies)" unfairly avoid their contractual  
17 responsibilities under the insurance policies all to the benefit of the "Defendant Insurance  
18 Company(ies)" and all to the detriment of their policy holders, the consuming public. Further,  
19 the injury to plaintiffs could not be reasonably avoided and was not foreseeable. At all times,  
20 most of the policies of insurance underwritten and/or issued by "Defendant Insurance  
21 Company(ies)" were written with the minimum required limits of 15/30/5. The insureds are high  
22 risk and need to pay premiums on a monthly basis. Few insurance companies are willing to  
23 underwrite or issue policies to individuals in plaintiffs' position. As a result, plaintiffs have few  
24 other choices in the insurance market to obtain legally mandated insurance. Additionally, the  
25 injury to plaintiffs as a result of "Defendant Insurance Company(ies)" wrongful conduct in  
26 rescinding the policies was not foreseeable. Here, plaintiffs and each of them purchased  
27 insurance policies covering collision damage. The policies were written by "Defendant  
28 Insurance Company(ies)" and understood by plaintiffs' to cover collision damage to the covered

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1 vehicle only when being driven by the named insured. In each instance alleged herein the  
2 covered vehicles were being driven by the named insureds; as such it was unforeseeable to  
3 plaintiffs that they would not be reimbursed for damage to their respective vehicles. After the  
4 collision however, defendants inquired of plaintiffs whether they respectively resided with a  
5 relative or other person. Based on this after the fact investigation the "Defendant Insurance  
6 Company(ies)" in each instance alleged herein, unforeseeably rescinded the contract based on an  
7 immaterial term irrelevant to the terms of coverage and contrary to the reasonable expectations  
8 of their insureds.

9         Additionally, said business practice is unlawful and contrary to the law as set forth in  
10 Insurance Code, section 359. The "Defendant Insurance Company(ies)" and each of them  
11 unlawfully rescind the insurance contracts based on alleged misrepresentations or concealment  
12 by the insureds, which are not material as required by Insurance Code section 359. The  
13 fallacious grounds used by "Defendant Insurance Company(ies)" to rescind said policies is  
14 wholly irrelevant and immaterial to the underwriting and or issuance of collision coverage, all in  
15 derogation of the express provisions of Insurance Code section 359.

16         Said business practice is fraudulent in that the "Defendant Insurance Company(ies)"  
17 represent to their insureds in both the application and in the insurance policy that the insured will  
18 be covered for collision damage in the event of an accident wherein the covered vehicle is being  
19 driven by the named insured. In reliance on these representations the insureds procure insurance  
20 from "Defendant Insurance Company(ies)" and continue to pay monthly premiums to  
21 "Defendant Insurance Company(ies)" on their insurance policies. The representations by the  
22 "Defendant Insurance Company(ies)" are in fact false; following an accident in which the  
23 covered vehicle is being driven by the named insured, the "Defendant Insurance Company(ies)"  
24 refuse to cover the loss and rescind the policy based on an immaterial provision or disclosure in  
25 the application and insurance policy. Had plaintiffs known of the true facts, plaintiffs would not  
26 have procured collision coverage through "Defendant Insurance Company(ies)"

27         The Defendant Insurance Companies further engaged in fraudulent, deceptive and  
28 unlawful conduct in knowingly allowing their insurance brokers and agents to fail to

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1 communicate to Defendant Insurance Companies the fact that their insureds during the policy  
2 period, had changed addresses and/or moved in with other individuals. In encouraging and/or  
3 allowing said business practice to occur, the Defendant Insurance Companies are therefore able  
4 to deny coverage on an immaterial representation (or alleged failure to represent) relative to  
5 coverage. In knowingly allowing said insurance brokers and agents to engage in said conduct,  
6 said Defendant Insurance Companies must be deemed to have imputed knowledge as to the facts  
7 communicated by their insured(s) to said brokers and agents.

8 That the policies of insurance issued by the defendants and each of them, also contained  
9 liability insurance. The defendants and each of them engaged in unfair business practices by  
10 rescinding said policy of insurance and denying coverage, by engaging in post claim  
11 underwriting.

12 364. In denying Plaintiff(s)' collision claim(s), the "Defendant Insurance  
13 Company(ies)" and each of them relied on immaterial provisions of the Disclosure form, the  
14 application and/or the insurance policy as grounds for not covering Plaintiff(s)' collision  
15 claim(s). "Defendant Insurance Company(ies)"s unilaterally attempted to rescind the contract by  
16 returning the premiums paid by Plaintiff(s). As a result of this fraudulent and unfair business  
17 practice, plaintiffs have been deprived of the benefits which were due and owing under the terms  
18 and conditions of the respective insurance policies.

19 365. At all times herein mentioned the "Defendant Insurance Company(ies)" were  
20 unjustly enriched at the expense of Plaintiff(s), by retaining money due and owing Plaintiff(s).

21 366. As a result of "Defendant Insurance Company(ies)" retaining the money (the  
22 amount of collision damage due and owing Plaintiff, Plaintiff is entitled to restitution and/or  
23 restitutionary disgorgement of the amount to reimburse Plaintiff for her collision loss.

24 **Comes now Plaintiff ANTONIO BENITO ARELLANO, and alleges for a Third**  
25 **Cause of Action for Breach of Contract against Defendants National General Insurance**  
26 **Company, Integon National Insurance Company and Does 1-50, as follows:**

27 367. Plaintiff hereby incorporates by reference as though set forth in full herein,  
28 Paragraphs 1 through 10, inclusive. On or about September 15, 2019, Plaintiff was in an auto

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1 accident where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly  
2 thereafter, Plaintiff's automobile policy was rescinded for an alleged failure to disclose members  
3 of Plaintiff's household.

4 368. That at all times herein mentioned Plaintiff had in force and effect an automobile  
5 insurance policy with defendants.

6 369. The "Defendant Insurance Company(ies)" breached the herein alleged insurance  
7 contract by not paying to Plaintiff the benefits due and owing under said insurance policy.

8 370. As special damages flowing from "Defendant Insurance Company(ies)" breach of  
9 contract, Plaintiff has sustained economic damages for the collision damage sustained by and the  
10 value of his or her car. Plaintiff also sustained other economic damages in liability to third  
11 parties. Plaintiff has sustained further economic damages in that Plaintiff's attorney is  
12 prosecuting the present matter. Plaintiff has and will continue to incur attorney's fees in the  
13 prosecution of this cause of action.

14 371. As a consequential result of the wrongful conduct of "Defendant Insurance  
15 Company(ies)", and each of them, Plaintiff has and or will sustain damages in an amount  
16 currently unknown to Plaintiff, but which will be shown according to proof at the time of trial.

17 **Comes now Plaintiff CHRISTIAN SCHEFFLER, and alleges for a First Cause of**  
18 **Action for Bad Faith (Breach of the Implied Covenant of Good Faith and Fair Dealing)**  
19 **against Defendants National General Insurance Company and Integon National Insurance**  
20 **Company and Does 1-50, as follows:**

21 372. Plaintiffs hereby incorporates by reference as though set forth in full herein  
22 Paragraphs 1 through 10, inclusive. On or about November of 2019, Plaintiff was in an auto  
23 accident where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly  
24 thereafter, Plaintiff's automobile policy was rescinded for an alleged failure to disclose members  
25 of Plaintiff's household.

26 373. That at all times herein mentioned Plaintiff had in force and effect an automobile  
27 insurance policy with defendants.

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1           374. Implied into the terms and conditions of the above referenced insurance policy is  
2 that "Defendant Insurance Company(ies)" would at all times deal with Plaintiff in good faith and  
3 with fair dealing. That at all times, the "Defendant Insurance Company(ies)" have not dealt with  
4 Plaintiff with good faith and fair dealing.

5           375. The above reasoning for refusing to pay Plaintiff's claim is fallacious and merely  
6 a ruse for "Defendant Insurance Company(ies)" refusal and failure to honor the terms and  
7 conditions of the policies of insurance. At all times herein mentioned, there was no material  
8 misrepresentation by Plaintiff and "Defendant Insurance Company(ies)" assertion thereof was  
9 done with the intent and purpose to avoid paying Plaintiff's claims, including their collision  
10 claim.

11           376. That at all times herein mention the policy of insurance issued by and  
12 underwritten by the defendants also contained liability coverage. The defendants and each of  
13 them engaged in post claim underwriting for purposes of rescinding the insurance policy and  
14 denying coverage

15           377. By engaging in the above referenced conduct, the "Defendant Insurance  
16 Company(ies)" and each of them have breached the implied covenant of good faith and fair  
17 dealing and have acted in bad faith toward Plaintiff.

18           378. As a proximate result of the wrongful conduct of "Defendant Insurance  
19 Company(ies)," and each of them, Plaintiff has sustained economic damages in excess of the  
20 minimum amount required for jurisdiction of the above-entitled court and which will be shown  
21 according to proof at the time of trial.

22           379. The above referenced conduct was done willfully and maliciously by "Defendant  
23 Insurance Company(ies)." Their refusal to pay the insurance policy benefits was done in  
24 conscious disregard of Plaintiff's rights with full knowledge that under the insurance policy as  
25 written, they were obligated to pay for Plaintiff's losses, yet refused to do so, knowing that said  
26 refusal would cause injury to Plaintiff. The "Defendant Insurance Company(ies)" conduct is  
27 despicable in that "Defendant Insurance Company(ies)" knew they had an obligation to pay for  
28 Plaintiff's losses, yet in total derogation of Plaintiff's rights, refused to pay for said losses.

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1 Comes now Plaintiff CHRISTIAN SCHEFFLER, and alleges for a Second Cause of  
2 Action for Unfair Business Practice against Defendants National General Insurance  
3 Company, Integon National Insurance Company, and Does 1-50, as follows:

4 380. Plaintiff hereby incorporates by reference as though set forth in full herein,  
5 Paragraphs 1 through 10, inclusive. On or about November of 2019, Plaintiff was in an auto  
6 accident where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly  
7 thereafter, Plaintiff's automobile policy was rescinded for an alleged failure to disclose members  
8 of Plaintiff's household.

9 381. That at all times herein mentioned Plaintiff had in force and effect an automobile  
10 insurance policy with defendants.

11 382. At all times herein mentioned, "Defendant Insurance Company(ies)" have  
12 engaged in unfair, unlawful and/or fraudulent business practices in violation of Business and  
13 Professions Code, sections 17200 et seq. The "Defendant Insurance Company(ies)" issue and/or  
14 underwrite policies of automobile insurance which typically have minimum policy limits. Their  
15 insureds are typically high risk, unsophisticated consumers. The policies of insurance maintain  
16 exclusions and definitions not found in the typical automobile policy. At all times herein  
17 mentioned the "Defendant Insurance Company(ies)" engaged in the business practice whereby  
18 when dealing with first party collision claims, the "Defendant Insurance Company(ies)" in  
19 referencing their "Reduced Coverage Disclosure Summary," the application for insurance, and/or  
20 certain provisions in the insurance policy itself, deny coverage based on immaterial provisions  
21 of said Disclosure, application, and/or insurance policy. In conjunction therewith, "Defendant  
22 Insurance Company(ies)" unilaterally send a notice of rescission and return the premiums paid.  
23 Specifically, the "Defendant Insurance Company(ies)" and each of them issue and/or underwrite  
24 policies of automobile insurance providing Collision coverage. By the terms of the policies, the  
25 collision coverage is applicable only when an insured vehicle is being driven by the named  
26 insured. Following an accident in which the insured's(s) vehicle(s) is(are) being driven by the  
27 named insured(s), the "Defendant Insurance Company(ies)" deny coverage based on the  
28 insured's(s) failure to inform defendants that the named insured(s) lived with family members,

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1 relatives, and/or other household members. Said rationale for denying coverage is irrelevant  
2 and immaterial in that the collision coverage underwritten and/or issued is present only when the  
3 insured vehicle(s) is being driven by the named insured(s) (and not when being driven by a  
4 family member, relative, or other permissive user.). As a result of this fraudulent, unlawful or  
5 unfair business practice, the "Defendant Insurance Company(ies)" save millions of dollars by not  
6 paying covered claims.

7 The "Defendant Insurance Company(ies)" have engaged in the pattern and practice of  
8 rescinding insurance policies of otherwise covered claims based on the immaterial provisions of  
9 the application for insurance and/or the insurance policy. The policy and practice of "Defendant  
10 Insurance Company(ies)" is to cover collision damage under very restrictive policy provisions in  
11 which said collision damage is covered only if the collision involves a covered vehicle driven by  
12 a named insured. If the covered vehicle is not involved in an accident, the "Defendant Insurance  
13 Company(ies)" profit from receipt of the premium. If the covered vehicle is involved in an  
14 accident when being driven by a named insured the "Defendant Insurance Company(ies)"  
15 engage in post-accident underwriting by rescinding the policy on an immaterial representation in  
16 the application or an immaterial policy provision, saving themselves millions of dollars by not  
17 reimbursing their insured for a covered claim. The "Defendant Insurance  
18 Company(ies)" unlawfully and unfairly take advantage of their insureds all to the "Defendant  
19 Insurance Company(ies)" financial benefit.

20 The conduct as herein alleged is unfair within the meaning of Business and Professions  
21 Code sections 17200 et seq. By not covering collision damage pursuant to the terms of the  
22 insurance policy, and rescinding the policy, the plaintiffs have suffered substantial damages in  
23 that plaintiffs were not reimbursed for the collision damages to their vehicles which in almost all  
24 cases are in the thousands of dollars per vehicle. The injury to plaintiffs by "Defendant  
25 Insurance Company(ies)"s wrongful conduct is not outweighed by any countervailing benefits to  
26 consumers. There is no benefit to the consuming public for members of the public to pay  
27 insurance premiums to "Defendant Insurance Company(ies)" for collision damage for their  
28 vehicles, and then after making a claim, have the "Defendant Insurance Company(ies)" rescind

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1 the insurance policy based on an immaterial term in the policy or application. The net result of  
2 said conduct is that "Defendant Insurance Company(ies)" unfairly avoid their contractual  
3 responsibilities under the insurance policies all to the benefit of the "Defendant Insurance  
4 Company(ies)" and all to the detriment of their policy holders, the consuming public. Further,  
5 the injury to plaintiffs could not be reasonably avoided and was not foreseeable. At all times,  
6 most of the policies of insurance underwritten and/or issued by "Defendant Insurance  
7 Company(ies)" were written with the minimum required limits of 15/30/5. The insureds are high  
8 risk and need to pay premiums on a monthly basis. Few insurance companies are willing to  
9 underwrite or issue policies to individuals in plaintiffs' position. As a result, plaintiffs have few  
10 other choices in the insurance market to obtain legally mandated insurance. Additionally, the  
11 injury to plaintiffs as a result of "Defendant Insurance Company(ies)" wrongful conduct in  
12 rescinding the policies was not foreseeable. Here, plaintiffs and each of them purchased  
13 insurance policies covering collision damage. The policies were written by "Defendant  
14 Insurance Company(ies)" and understood by plaintiffs' to cover collision damage to the covered  
15 vehicle only when being driven by the named insured. In each instance alleged herein the  
16 covered vehicles were being driven by the named insureds; as such it was unforeseeable to  
17 plaintiffs that they would not be reimbursed for damage to their respective vehicles. After the  
18 collision however, defendants inquired of plaintiffs whether they respectively resided with a  
19 relative or other person. Based on this after the fact investigation the "Defendant Insurance  
20 Company(ies)" in each instance alleged herein, unforeseeably rescinded the contract based on an  
21 immaterial term irrelevant to the terms of coverage and contrary to the reasonable expectations  
22 of their insureds.

23 Additionally, said business practice is unlawful and contrary to the law as set forth in  
24 Insurance Code, section 359. The "Defendant Insurance Company(ies)" and each of them  
25 unlawfully rescind the insurance contracts based on alleged misrepresentations or concealment  
26 by the insureds, which are not material as required by Insurance Code section 359. The  
27 fallacious grounds used by "Defendant Insurance Company(ies)" to rescind said policies is

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1 wholly irrelevant and immaterial to the underwriting and or issuance of collision coverage, all in  
2 derogation of the express provisions of Insurance Code section 359.

3 Said business practice is fraudulent in that the "Defendant Insurance Company(ies)"  
4 represent to their insureds in both the application and in the insurance policy that the insured will  
5 be covered for collision damage in the event of an accident wherein the covered vehicle is being  
6 driven by the named insured. In reliance on these representations the insureds procure insurance  
7 from "Defendant Insurance Company(ies)" and continue to pay monthly premiums to  
8 "Defendant Insurance Company(ies)" on their insurance policies. The representations by the  
9 "Defendant Insurance Company(ies)" are in fact false; following an accident in which the  
10 covered vehicle is being driven by the named insured, the "Defendant Insurance Company(ies)"  
11 refuse to cover the loss and rescind the policy based on an immaterial provision or disclosure in  
12 the application and insurance policy. Had plaintiffs known of the true facts, plaintiffs would not  
13 have procured collision coverage through "Defendant Insurance Company(ies)"

14 The Defendant Insurance Companies further engaged in fraudulent, deceptive and  
15 unlawful conduct in knowingly allowing their insurance brokers and agents to fail to  
16 communicate to Defendant Insurance Companies the fact that their insureds during the policy  
17 period, had changed addresses and/or moved in with other individuals. In encouraging and/or  
18 allowing said business practice to occur, the Defendant Insurance Companies are therefore able  
19 to deny coverage on an immaterial representation (or alleged failure to represent) relative to  
20 coverage. In knowingly allowing said insurance brokers and agents to engage in said conduct,  
21 said Defendant Insurance Companies must be deemed to have imputed knowledge as to the facts  
22 communicated by their insured(s) to said brokers and agents.

23 That the policies of insurance issued by the defendants and each of them, also contained  
24 liability insurance. The defendants and each of them engaged in unfair business practices by  
25 rescinding said policy of insurance and denying coverage, by engaging in post claim  
26 underwriting.

27 383. In denying Plaintiff(s)' collision claim(s), the "Defendant Insurance  
28 Company(ies)" and each of them relied on immaterial provisions of the Disclosure form, the

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1 application and/or the insurance policy as grounds for not covering Plaintiff(s)' collision  
2 claim(s). "Defendant Insurance Company(ies)"s unilaterally attempted to rescind the contract by  
3 returning the premiums paid by Plaintiff(s). As a result of this fraudulent and unfair business  
4 practice, plaintiffs have been deprived of the benefits which were due and owing under the terms  
5 and conditions of the respective insurance policies.

6 384. At all times herein mentioned the "Defendant Insurance Company(ies)" were  
7 unjustly enriched at the expense of Plaintiff(s), by retaining money due and owing Plaintiff(s).

8 385. As a result of "Defendant Insurance Company(ies)" retaining the money (the  
9 amount of collision damage due and owing Plaintiff, Plaintiff is entitled to restitution and/or  
10 restitutionary disgorgement of the amount to reimburse Plaintiff for her collision loss.

11 **Comes now Plaintiff CHRISTIAN SCHEFFLER, and alleges for a Third Cause of**  
12 **Action for Breach of Contract against Defendants National General Insurance Company,**  
13 **Integon National Insurance Company and Does 1-50, as follows:**

14 386. Plaintiff hereby incorporates by reference as though set forth in full herein,  
15 Paragraphs 1 through 10, inclusive. On or about November of 2019, Plaintiff was in an auto  
16 accident where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly  
17 thereafter, Plaintiff's automobile policy was rescinded for an alleged failure to disclose members  
18 of Plaintiff's household.

19 387. That at all times herein mentioned Plaintiff had in force and effect an automobile  
20 insurance policy with defendants.

21 388. The "Defendant Insurance Company(ies)" breached the herein alleged insurance  
22 contract by not paying to Plaintiff the benefits due and owing under said insurance policy.

23 389. As special damages flowing from "Defendant Insurance Company(ies)" breach of  
24 contract, Plaintiff has sustained economic damages for the collision damage sustained by and the  
25 value of his or her car. Plaintiff also sustained other economic damages in liability to third  
26 parties. Plaintiff has sustained further economic damages in that Plaintiff's attorney is  
27 prosecuting the present matter. Plaintiff has and will continue to incur attorney's fees in the  
28 prosecution of this cause of action.

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1           390. As a consequential result of the wrongful conduct of "Defendant Insurance  
2 Company(ies)", and each of them, Plaintiff has and or will sustain damages in an amount  
3 currently unknown to Plaintiff, but which will be shown according to proof at the time of trial.

4           **Comes now Plaintiff JOSE AUGUSTIN PAZ MENDOZA, and alleges for a First**  
5 **Cause of Action for Bad Faith (Breach of the Implied Covenant of Good Faith and Fair**  
6 **Dealing) against Defendants National General Insurance Company and Integon National**  
7 **Insurance Company and Does 1-50, as follows:**

8           391. Plaintiffs hereby incorporates by reference as though set forth in full herein  
9 Paragraphs 1 through 10, inclusive. On or about April 6, 2021, Plaintiff was in an auto accident  
10 where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly thereafter,  
11 Plaintiff's automobile policy was rescinded for an alleged failure to disclose members of  
12 Plaintiff's household.

13           392. That at all times herein mentioned Plaintiff had in force and effect an automobile  
14 insurance policy with defendants.

15           393. Implied into the terms and conditions of the above referenced insurance policy is  
16 that "Defendant Insurance Company(ies)" would at all times deal with Plaintiff in good faith and  
17 with fair dealing. That at all times, the "Defendant Insurance Company(ies)" have not dealt with  
18 Plaintiff with good faith and fair dealing.

19           394. The above reasoning for refusing to pay Plaintiff's claim is fallacious and merely  
20 a ruse for "Defendant Insurance Company(ies)" refusal and failure to honor the terms and  
21 conditions of the policies of insurance. At all times herein mentioned, there was no material  
22 misrepresentation by Plaintiff and "Defendant Insurance Company(ies)" assertion thereof was  
23 done with the intent and purpose to avoid paying Plaintiff's claims, including their collision  
24 claim.

25           395. That at all times herein mention the policy of insurance issued by and  
26 underwritten by the defendants also contained liability coverage. The defendants and each of  
27 them engaged in post claim underwriting for purposes of rescinding the insurance policy and  
28 denying coverage

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1 396. By engaging in the above referenced conduct, the "Defendant Insurance  
2 Company(ies)" and each of them have breached the implied covenant of good faith and fair  
3 dealing and have acted in bad faith toward Plaintiff.

4 397. As a proximate result of the wrongful conduct of "Defendant Insurance  
5 Company(ies)," and each of them, Plaintiff has sustained economic damages in excess of the  
6 minimum amount required for jurisdiction of the above-entitled court and which will be shown  
7 according to proof at the time of trial.

8 398. The above referenced conduct was done willfully and maliciously by "Defendant  
9 Insurance Company(ies)." Their refusal to pay the insurance policy benefits was done in  
10 conscious disregard of Plaintiff's rights with full knowledge that under the insurance policy as  
11 written, they were obligated to pay for Plaintiff's losses, yet refused to do so, knowing that said  
12 refusal would cause injury to Plaintiff. The "Defendant Insurance Company(ies)" conduct is  
13 despicable in that "Defendant Insurance Company(ies)" knew they had an obligation to pay for  
14 Plaintiff's losses, yet in total derogation of Plaintiff's rights, refused to pay for said losses.

15 **Comes now Plaintiff JOSE AUGUSTIN PAZ MENDOZA, and alleges for a Second**  
16 **Cause of Action for Unfair Business Practice against Defendants National General**  
17 **Insurance Company, Integon National Insurance Company, and Does 1-50, as follows:**

18 399. Plaintiff hereby incorporates by reference as though set forth in full herein,  
19 Paragraphs 1 through 10, inclusive. On or about April 6, 2021, Plaintiff was in an auto accident  
20 where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly thereafter,  
21 Plaintiff's automobile policy was rescinded for an alleged failure to disclose members of  
22 Plaintiff's household.

23 400. That at all times herein mentioned Plaintiff had in force and effect an automobile  
24 insurance policy with defendants.

25 401. At all times herein mentioned, "Defendant Insurance Company(ies)" have  
26 engaged in unfair, unlawful and/or fraudulent business practices in violation of Business and  
27 Professions Code, sections 17200 et seq. The "Defendant Insurance Company(ies)" issue and/or  
28 underwrite policies of automobile insurance which typically have minimum policy limits. Their



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1 insureds are typically high risk, unsophisticated consumers. The policies of insurance maintain  
2 exclusions and definitions not found in the typical automobile policy. At all times herein  
3 mentioned the "Defendant Insurance Company(ies)" engaged in the business practice whereby  
4 when dealing with first party collision claims, the "Defendant Insurance Company(ies)" in  
5 referencing their "Reduced Coverage Disclosure Summary," the application for insurance, and/or  
6 certain provisions in the insurance policy itself, deny coverage based on immaterial provisions  
7 of said Disclosure, application, and/or insurance policy. In conjunction therewith, "Defendant  
8 Insurance Company(ies)" unilaterally send a notice of rescission and return the premiums paid.  
9 Specifically, the "Defendant Insurance Company(ies)" and each of them issue and/or underwrite  
10 policies of automobile insurance providing Collision coverage. By the terms of the policies, the  
11 collision coverage is applicable only when an insured vehicle is being driven by the named  
12 insured. Following an accident in which the insured's(s') vehicle(s) is(are) being driven by the  
13 named insured(s), the "Defendant Insurance Company(ies)" deny coverage based on the  
14 insured's(s') failure to inform defendants that the named insured(s) lived with family members,  
15 relatives, and/or other household members. Said rationale for denying coverage is irrelevant  
16 and immaterial in that the collision coverage underwritten and/or issued is present only when the  
17 insured vehicle(s) is being driven by the named insured(s) (and not when being driven by a  
18 family member, relative, or other permissive user.). As a result of this fraudulent, unlawful or  
19 unfair business practice, the "Defendant Insurance Company(ies)" save millions of dollars by not  
20 paying covered claims.

21 The "Defendant Insurance Company(ies)" have engaged in the pattern and practice of  
22 rescinding insurance policies of otherwise covered claims based on the immaterial provisions of  
23 the application for insurance and/or the insurance policy. The policy and practice of "Defendant  
24 Insurance Company(ies)" is to cover collision damage under very restrictive policy provisions in  
25 which said collision damage is covered only if the collision involves a covered vehicle driven by  
26 a named insured. If the covered vehicle is not involved in an accident, the "Defendant Insurance  
27 Company(ies)" profit from receipt of the premium. If the covered vehicle is involved in an  
28 accident when being driven by a named insured the "Defendant Insurance Company(ies)"

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1 engage in post-accident underwriting by rescinding the policy on an immaterial representation in  
2 the application or an immaterial policy provision, saving themselves millions of dollars by not  
3 reimbursing their insured for a covered claim. The "Defendant Insurance  
4 Company(ies)" unlawfully and unfairly take advantage of their insureds all to the "Defendant  
5 Insurance Company(ies)" financial benefit.

6 The conduct as herein alleged is unfair within the meaning of Business and Professions  
7 Code sections 17200 et seq. By not covering collision damage pursuant to the terms of the  
8 insurance policy, and rescinding the policy, the plaintiffs have suffered substantial damages in  
9 that plaintiffs were not reimbursed for the collision damages to their vehicles which in almost all  
10 cases are in the thousands of dollars per vehicle. The injury to plaintiffs by "Defendant  
11 Insurance Company(ies)"s wrongful conduct is not outweighed by any countervailing benefits to  
12 consumers. There is no benefit to the consuming public for members of the public to pay  
13 insurance premiums to "Defendant Insurance Company(ies)" for collision damage for their  
14 vehicles, and then after making a claim, have the "Defendant Insurance Company(ies)" rescind  
15 the insurance policy based on an immaterial term in the policy or application. The net result of  
16 said conduct is that "Defendant Insurance Company(ies)" unfairly avoid their contractual  
17 responsibilities under the insurance policies all to the benefit of the "Defendant Insurance  
18 Company(ies)" and all to the detriment of their policy holders, the consuming public. Further,  
19 the injury to plaintiffs could not be reasonably avoided and was not foreseeable. At all times,  
20 most of the policies of insurance underwritten and/or issued by "Defendant Insurance  
21 Company(ies)" were written with the minimum required limits of 15/30/5. The insureds are high  
22 risk and need to pay premiums on a monthly basis. Few insurance companies are willing to  
23 underwrite or issue policies to individuals in plaintiffs' position. As a result, plaintiffs have few  
24 other choices in the insurance market to obtain legally mandated insurance. Additionally, the  
25 injury to plaintiffs as a result of "Defendant Insurance Company(ies)" wrongful conduct in  
26 rescinding the policies was not foreseeable. Here, plaintiffs and each of them purchased  
27 insurance policies covering collision damage. The policies were written by "Defendant  
28 Insurance Company(ies)" and understood by plaintiffs' to cover collision damage to the covered

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1 vehicle only when being driven by the named insured. In each instance alleged herein the  
2 covered vehicles were being driven by the named insureds; as such it was unforeseeable to  
3 plaintiffs that they would not be reimbursed for damage to their respective vehicles. After the  
4 collision however, defendants inquired of plaintiffs whether they respectively resided with a  
5 relative or other person. Based on this after the fact investigation the "Defendant Insurance  
6 Company(ies)" in each instance alleged herein, unforeseeably rescinded the contract based on an  
7 immaterial term irrelevant to the terms of coverage and contrary to the reasonable expectations  
8 of their insureds.

9 Additionally, said business practice is unlawful and contrary to the law as set forth in  
10 Insurance Code, section 359. The "Defendant Insurance Company(ies)" and each of them  
11 unlawfully rescind the insurance contracts based on alleged misrepresentations or concealment  
12 by the insureds, which are not material as required by Insurance Code section 359. The  
13 fallacious grounds used by "Defendant Insurance Company(ies)" to rescind said policies is  
14 wholly irrelevant and immaterial to the underwriting and or issuance of collision coverage, all in  
15 derogation of the express provisions of Insurance Code section 359.

16 Said business practice is fraudulent in that the "Defendant Insurance Company(ies)"  
17 represent to their insureds in both the application and in the insurance policy that the insured will  
18 be covered for collision damage in the event of an accident wherein the covered vehicle is being  
19 driven by the named insured. In reliance on these representations the insureds procure insurance  
20 from "Defendant Insurance Company(ies)" and continue to pay monthly premiums to  
21 "Defendant Insurance Company(ies)" on their insurance policies. The representations by the  
22 "Defendant Insurance Company(ies)" are in fact false; following an accident in which the  
23 covered vehicle is being driven by the named insured, the "Defendant Insurance Company(ies)"  
24 refuse to cover the loss and rescind the policy based on an immaterial provision or disclosure in  
25 the application and insurance policy. Had plaintiffs known of the true facts, plaintiffs would not  
26 have procured collision coverage through "Defendant Insurance Company(ies)"

27 The Defendant Insurance Companies further engaged in fraudulent, deceptive and  
28 unlawful conduct in knowingly allowing their insurance brokers and agents to fail to

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1 communicate to Defendant Insurance Companies the fact that their insureds during the policy  
2 period, had changed addresses and/or moved in with other individuals. In encouraging and/or  
3 allowing said business practice to occur, the Defendant Insurance Companies are therefore able  
4 to deny coverage on an immaterial representation (or alleged failure to represent) relative to  
5 coverage. In knowingly allowing said insurance brokers and agents to engage in said conduct,  
6 said Defendant Insurance Companies must be deemed to have imputed knowledge as to the facts  
7 communicated by their insured(s) to said brokers and agents.

8 That the policies of insurance issued by the defendants and each of them, also contained  
9 liability insurance. The defendants and each of them engaged in unfair business practices by  
10 rescinding said policy of insurance and denying coverage, by engaging in post claim  
11 underwriting.

12 402. In denying Plaintiff(s)' collision claim(s), the "Defendant Insurance  
13 Company(ies)" and each of them relied on immaterial provisions of the Disclosure form, the  
14 application and/or the insurance policy as grounds for not covering Plaintiff(s)' collision  
15 claim(s). "Defendant Insurance Company(ies)"s unilaterally attempted to rescind the contract by  
16 returning the premiums paid by Plaintiff(s). As a result of this fraudulent and unfair business  
17 practice, plaintiffs have been deprived of the benefits which were due and owing under the terms  
18 and conditions of the respective insurance policies.

19 403. At all times herein mentioned the "Defendant Insurance Company(ies)" were  
20 unjustly enriched at the expense of Plaintiff(s), by retaining money due and owing Plaintiff(s).

21 404. As a result of "Defendant Insurance Company(ies)" retaining the money (the  
22 amount of collision damage due and owing Plaintiff, Plaintiff is entitled to restitution and/or  
23 restitutionary disgorgement of the amount to reimburse Plaintiff for her collision loss.

24 **Comes now Plaintiff JOSE AUGUSTIN PAZ MENDOZA, and alleges for a Third**  
25 **Cause of Action for Breach of Contract against Defendants National General Insurance**  
26 **Company, Integon National Insurance Company and Does 1-50, as follows:**

27 405. Plaintiff hereby incorporates by reference as though set forth in full herein,  
28 Paragraphs 1 through 10, inclusive. On or about April 6, 2021, Plaintiff was in an auto accident

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1 where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly thereafter,  
2 Plaintiff's automobile policy was rescinded for an alleged failure to disclose members of  
3 Plaintiff's household.

4 406. That at all times herein mentioned Plaintiff had in force and effect an automobile  
5 insurance policy with defendants.

6 407. The "Defendant Insurance Company(ies)" breached the herein alleged insurance  
7 contract by not paying to Plaintiff the benefits due and owing under said insurance policy.

8 408. As special damages flowing from "Defendant Insurance Company(ies)" breach of  
9 contract, Plaintiff has sustained economic damages for the collision damage sustained by and the  
10 value of his or her car. Plaintiff also sustained other economic damages in liability to third  
11 parties. Plaintiff has sustained further economic damages in that Plaintiff's attorney is  
12 prosecuting the present matter. Plaintiff has and will continue to incur attorney's fees in the  
13 prosecution of this cause of action.

14 409. As a consequential result of the wrongful conduct of "Defendant Insurance  
15 Company(ies)", and each of them, Plaintiff has and or will sustain damages in an amount  
16 currently unknown to Plaintiff, but which will be shown according to proof at the time of trial.

17 **Comes now Plaintiff JESSE MIRAMONTES, and alleges for a First Cause of**  
18 **Action for Bad Faith (Breach of the Implied Covenant of Good Faith and Fair Dealing)**  
19 **against Defendants National General Insurance Company and Integon National Insurance**  
20 **Company and Does 1-50, as follows:**

21 410. Plaintiffs hereby incorporates by reference as though set forth in full herein  
22 Paragraphs 1 through 10, inclusive. On or about April 18, 2021, Plaintiff was in an auto accident  
23 where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly thereafter,  
24 Plaintiff's automobile policy was rescinded for an alleged failure to disclose members of  
25 Plaintiff's household.

26 411. That at all times herein mentioned Plaintiff had in force and effect an automobile  
27 insurance policy with defendants.

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1 412. Implied into the terms and conditions of the above referenced insurance policy is  
2 that "Defendant Insurance Company(ies)" would at all times deal with Plaintiff in good faith and  
3 with fair dealing. That at all times, the "Defendant Insurance Company(ies)" have not dealt with  
4 Plaintiff with good faith and fair dealing.

5 413. The above reasoning for refusing to pay Plaintiff's claim is fallacious and merely  
6 a ruse for "Defendant Insurance Company(ies)" refusal and failure to honor the terms and  
7 conditions of the policies of insurance. At all times herein mentioned, there was no material  
8 misrepresentation by Plaintiff and "Defendant Insurance Company(ies)" assertion thereof was  
9 done with the intent and purpose to avoid paying Plaintiff's claims, including their collision  
10 claim.

11 414. That at all times herein mention the policy of insurance issued by and  
12 underwritten by the defendants also contained liability coverage. The defendants and each of  
13 them engaged in post claim underwriting for purposes of rescinding the insurance policy and  
14 denying coverage

15 415. By engaging in the above referenced conduct, the "Defendant Insurance  
16 Company(ies)" and each of them have breached the implied covenant of good faith and fair  
17 dealing and have acted in bad faith toward Plaintiff.

18 416. As a proximate result of the wrongful conduct of "Defendant Insurance  
19 Company(ies)," and each of them, Plaintiff has sustained economic damages in excess of the  
20 minimum amount required for jurisdiction of the above-entitled court and which will be shown  
21 according to proof at the time of trial.

22 417. The above referenced conduct was done willfully and maliciously by "Defendant  
23 Insurance Company(ies)." Their refusal to pay the insurance policy benefits was done in  
24 conscious disregard of Plaintiff's rights with full knowledge that under the insurance policy as  
25 written, they were obligated to pay for Plaintiff's losses, yet refused to do so, knowing that said  
26 refusal would cause injury to Plaintiff. The "Defendant Insurance Company(ies)" conduct is  
27 despicable in that "Defendant Insurance Company(ies)" knew they had an obligation to pay for  
28 Plaintiff's losses, yet in total derogation of Plaintiff's rights, refused to pay for said losses.

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1 Comes now Plaintiff JESSE MIRAMONTES, and alleges for a Second Cause of  
2 Action for Unfair Business Practice against Defendants National General Insurance  
3 Company, Integon National Insurance Company, and Does 1-50, as follows:

4 418. Plaintiff hereby incorporates by reference as though set forth in full herein,  
5 Paragraphs 1 through 10, inclusive. On or about April 18, 2021, Plaintiff was in an auto accident  
6 where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly thereafter,  
7 Plaintiff's automobile policy was rescinded for an alleged failure to disclose members of  
8 Plaintiff's household.

9 419. That at all times herein mentioned Plaintiff had in force and effect an automobile  
10 insurance policy with defendants.

11 420. At all times herein mentioned, "Defendant Insurance Company(ies)" have  
12 engaged in unfair, unlawful and/or fraudulent business practices in violation of Business and  
13 Professions Code, sections 17200 et seq. The "Defendant Insurance Company(ies)" issue and/or  
14 underwrite policies of automobile insurance which typically have minimum policy limits. Their  
15 insureds are typically high risk, unsophisticated consumers. The policies of insurance maintain  
16 exclusions and definitions not found in the typical automobile policy. At all times herein  
17 mentioned the "Defendant Insurance Company(ies)" engaged in the business practice whereby  
18 when dealing with first party collision claims, the "Defendant Insurance Company(ies)" in  
19 referencing their "Reduced Coverage Disclosure Summary," the application for insurance, and/or  
20 certain provisions in the insurance policy itself, deny coverage based on immaterial provisions  
21 of said Disclosure, application, and/or insurance policy. In conjunction therewith, "Defendant  
22 Insurance Company(ies)" unilaterally send a notice of rescission and return the premiums paid.  
23 Specifically, the "Defendant Insurance Company(ies)" and each of them issue and/or underwrite  
24 policies of automobile insurance providing Collision coverage. By the terms of the policies, the  
25 collision coverage is applicable only when an insured vehicle is being driven by the named  
26 insured. Following an accident in which the insured's(s) vehicle(s) is(are) being driven by the  
27 named insured(s), the "Defendant Insurance Company(ies)" deny coverage based on the  
28 insured's(s) failure to inform defendants that the named insured(s) lived with family members,

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1 relatives, and/or other household members. Said rationale for denying coverage is irrelevant  
2 and immaterial in that the collision coverage underwritten and/or issued is present only when the  
3 insured vehicle(s) is being driven by the named insured(s) (and not when being driven by a  
4 family member, relative, or other permissive user.). As a result of this fraudulent, unlawful or  
5 unfair business practice, the "Defendant Insurance Company(ies)" save millions of dollars by not  
6 paying covered claims.

7 The "Defendant Insurance Company(ies)" have engaged in the pattern and practice of  
8 rescinding insurance policies of otherwise covered claims based on the immaterial provisions of  
9 the application for insurance and/or the insurance policy. The policy and practice of "Defendant  
10 Insurance Company(ies)" is to cover collision damage under very restrictive policy provisions in  
11 which said collision damage is covered only if the collision involves a covered vehicle driven by  
12 a named insured. If the covered vehicle is not involved in an accident, the "Defendant Insurance  
13 Company(ies)" profit from receipt of the premium. If the covered vehicle is involved in an  
14 accident when being driven by a named insured the "Defendant Insurance Company(ies)"  
15 engage in post-accident underwriting by rescinding the policy on an immaterial representation in  
16 the application or an immaterial policy provision, saving themselves millions of dollars by not  
17 reimbursing their insured for a covered claim. The "Defendant Insurance  
18 Company(ies)" unlawfully and unfairly take advantage of their insureds all to the "Defendant  
19 Insurance Company(ies)" financial benefit.

20 The conduct as herein alleged is unfair within the meaning of Business and Professions  
21 Code sections 17200 et seq. By not covering collision damage pursuant to the terms of the  
22 insurance policy, and rescinding the policy, the plaintiffs have suffered substantial damages in  
23 that plaintiffs were not reimbursed for the collision damages to their vehicles which in almost all  
24 cases are in the thousands of dollars per vehicle. The injury to plaintiffs by "Defendant  
25 Insurance Company(ies)"s wrongful conduct is not outweighed by any countervailing benefits to  
26 consumers. There is no benefit to the consuming public for members of the public to pay  
27 insurance premiums to "Defendant Insurance Company(ies)" for collision damage for their  
28 vehicles, and then after making a claim, have the "Defendant Insurance Company(ies)" rescind



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1 the insurance policy based on an immaterial term in the policy or application. The net result of  
2 said conduct is that "Defendant Insurance Company(ies)" unfairly avoid their contractual  
3 responsibilities under the insurance policies all to the benefit of the "Defendant Insurance  
4 Company(ies)" and all to the detriment of their policy holders, the consuming public. Further,  
5 the injury to plaintiffs could not be reasonably avoided and was not foreseeable. At all times,  
6 most of the policies of insurance underwritten and/or issued by "Defendant Insurance  
7 Company(ies)" were written with the minimum required limits of 15/30/5. The insureds are high  
8 risk and need to pay premiums on a monthly basis. Few insurance companies are willing to  
9 underwrite or issue policies to individuals in plaintiffs' position. As a result, plaintiffs have few  
10 other choices in the insurance market to obtain legally mandated insurance. Additionally, the  
11 injury to plaintiffs as a result of "Defendant Insurance Company(ies)" wrongful conduct in  
12 rescinding the policies was not foreseeable. Here, plaintiffs and each of them purchased  
13 insurance policies covering collision damage. The policies were written by "Defendant  
14 Insurance Company(ies)" and understood by plaintiffs' to cover collision damage to the covered  
15 vehicle only when being driven by the named insured. In each instance alleged herein the  
16 covered vehicles were being driven by the named insureds; as such it was unforeseeable to  
17 plaintiffs that they would not be reimbursed for damage to their respective vehicles. After the  
18 collision however, defendants inquired of plaintiffs whether they respectively resided with a  
19 relative or other person. Based on this after the fact investigation the "Defendant Insurance  
20 Company(ies)" in each instance alleged herein, unforeseeably rescinded the contract based on an  
21 immaterial term irrelevant to the terms of coverage and contrary to the reasonable expectations  
22 of their insureds.

23 Additionally, said business practice is unlawful and contrary to the law as set forth in  
24 Insurance Code, section 359. The "Defendant Insurance Company(ies)" and each of them  
25 unlawfully rescind the insurance contracts based on alleged misrepresentations or concealment  
26 by the insureds, which are not material as required by Insurance Code section 359. The  
27 fallacious grounds used by "Defendant Insurance Company(ies)" to rescind said policies is

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1 holly irrelevant and immaterial to the underwriting and or issuance of collision coverage, all in  
2 derogation of the express provisions of Insurance Code section 359.

3 Said business practice is fraudulent in that the "Defendant Insurance Company(ies)"  
4 represent to their insureds in both the application and in the insurance policy that the insured will  
5 be covered for collision damage in the event of an accident wherein the covered vehicle is being  
6 driven by the named insured. In reliance on these representations the insureds procure insurance  
7 from "Defendant Insurance Company(ies)" and continue to pay monthly premiums to  
8 "Defendant Insurance Company(ies)" on their insurance policies. The representations by the  
9 "Defendant Insurance Company(ies)" are in fact false; following an accident in which the  
10 covered vehicle is being driven by the named insured, the "Defendant Insurance Company(ies)"  
11 refuse to cover the loss and rescind the policy based on an immaterial provision or disclosure in  
12 the application and insurance policy. Had plaintiffs known of the true facts, plaintiffs would not  
13 have procured collision coverage through "Defendant Insurance Company(ies)"

14 The Defendant Insurance Companies further engaged in fraudulent, deceptive and  
15 unlawful conduct in knowingly allowing their insurance brokers and agents to fail to  
16 communicate to Defendant Insurance Companies the fact that their insureds during the policy  
17 period, had changed addresses and/or moved in with other individuals. In encouraging and/or  
18 allowing said business practice to occur, the Defendant Insurance Companies are therefore able  
19 to deny coverage on an immaterial representation (or alleged failure to represent) relative to  
20 coverage. In knowingly allowing said insurance brokers and agents to engage in said conduct,  
21 said Defendant Insurance Companies must be deemed to have imputed knowledge as to the facts  
22 communicated by their insured(s) to said brokers and agents.

23 That the policies of insurance issued by the defendants and each of them, also contained  
24 liability insurance. The defendants and each of them engaged in unfair business practices by  
25 rescinding said policy of insurance and denying coverage, by engaging in post claim  
26 underwriting.

27 421. In denying Plaintiff(s)' collision claim(s), the "Defendant Insurance  
28 Company(ies)" and each of them relied on immaterial provisions of the Disclosure form, the



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1 application and/or the insurance policy as grounds for not covering Plaintiff(s)' collision  
2 claim(s). "Defendant Insurance Company(ies)"s unilaterally attempted to rescind the contract by  
3 returning the premiums paid by Plaintiff(s). As a result of this fraudulent and unfair business  
4 practice, plaintiffs have been deprived of the benefits which were due and owing under the terms  
5 and conditions of the respective insurance policies.

6 422. At all times herein mentioned the "Defendant Insurance Company(ies)" were  
7 unjustly enriched at the expense of Plaintiff(s), by retaining money due and owing Plaintiff(s).

8 423. As a result of "Defendant Insurance Company(ies)" retaining the money (the  
9 amount of collision damage due and owing Plaintiff, Plaintiff is entitled to restitution and/or  
10 restitutionary disgorgement of the amount to reimburse Plaintiff for her collision loss.

11 **Comes now Plaintiff JESSE MIRAMONTES, and alleges for a Third Cause of**  
12 **Action for Breach of Contract against Defendants National General Insurance Company,**  
13 **Integon National Insurance Company and Does 1-50, as follows:**

14 424. Plaintiff hereby incorporates by reference as though set forth in full herein,  
15 Paragraphs 1 through 10, inclusive. On or about April 18, 2021, Plaintiff was in an auto accident  
16 where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly thereafter,  
17 Plaintiff's automobile policy was rescinded for an alleged failure to disclose members of  
18 Plaintiff's household.

19 425. That at all times herein mentioned Plaintiff had in force and effect an automobile  
20 insurance policy with defendants.

21 426. The "Defendant Insurance Company(ies)" breached the herein alleged insurance  
22 contract by not paying to Plaintiff the benefits due and owing under said insurance policy.

23 427. As special damages flowing from "Defendant Insurance Company(ies)" breach of  
24 contract, Plaintiff has sustained economic damages for the collision damage sustained by and the  
25 value of his or her car. Plaintiff also sustained other economic damages in liability to third  
26 parties. Plaintiff has sustained further economic damages in that Plaintiff's attorney is  
27 prosecuting the present matter. Plaintiff has and will continue to incur attorney's fees in the  
28 prosecution of this cause of action.

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1 428. As a consequential result of the wrongful conduct of "Defendant Insurance  
2 Company(ies)", and each of them, Plaintiff has and or will sustain damages in an amount  
3 currently unknown to Plaintiff, but which will be shown according to proof at the time of trial.

4 **Comes now Plaintiff LETICIA BERMEJO, and alleges for a First Cause of Action**  
5 **for Bad Faith (Breach of the Implied Covenant of Good Faith and Fair Dealing) against**  
6 **Defendants National General Insurance Company and Integon National Insurance**  
7 **Company and Does 1-50, as follows:**

8 429. Plaintiffs hereby incorporates by reference as though set forth in full herein  
9 Paragraphs 1 through 10, inclusive. On or about May 4, 2021, Plaintiff was in an auto accident  
10 where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly thereafter,  
11 Plaintiff's automobile policy was rescinded for an alleged failure to disclose members of  
12 Plaintiff's household.

13 430. That at all times herein mentioned Plaintiff had in force and effect an automobile  
14 insurance policy with defendants.

15 431. Implied into the terms and conditions of the above referenced insurance policy is  
16 that "Defendant Insurance Company(ies)" would at all times deal with Plaintiff in good faith and  
17 with fair dealing. That at all times, the "Defendant Insurance Company(ies)" have not dealt with  
18 Plaintiff with good faith and fair dealing.

19 432. The above reasoning for refusing to pay Plaintiff's claim is fallacious and merely  
20 a ruse for "Defendant Insurance Company(ies)" refusal and failure to honor the terms and  
21 conditions of the policies of insurance. At all times herein mentioned, there was no material  
22 misrepresentation by Plaintiff and "Defendant Insurance Company(ies)" assertion thereof was  
23 done with the intent and purpose to avoid paying Plaintiff's claims, including their collision  
24 claim.

25 433. That at all times herein mention the policy of insurance issued by and  
26 underwritten by the defendants also contained liability coverage. The defendants and each of  
27 them engaged in post claim underwriting for purposes of rescinding the insurance policy and  
28 denying coverage

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1 434. By engaging in the above referenced conduct, the "Defendant Insurance  
2 Company(ies)" and each of them have breached the implied covenant of good faith and fair  
3 dealing and have acted in bad faith toward Plaintiff.

4 435. As a proximate result of the wrongful conduct of "Defendant Insurance  
5 Company(ies)," and each of them, Plaintiff has sustained economic damages in excess of the  
6 minimum amount required for jurisdiction of the above-entitled court and which will be shown  
7 according to proof at the time of trial.

8 436. The above referenced conduct was done willfully and maliciously by "Defendant  
9 Insurance Company(ies)." Their refusal to pay the insurance policy benefits was done in  
10 conscious disregard of Plaintiff's rights with full knowledge that under the insurance policy as  
11 written, they were obligated to pay for Plaintiff's losses, yet refused to do so, knowing that said  
12 refusal would cause injury to Plaintiff. The "Defendant Insurance Company(ies)" conduct is  
13 despicable in that "Defendant Insurance Company(ies)" knew they had an obligation to pay for  
14 Plaintiff's losses, yet in total derogation of Plaintiff's rights, refused to pay for said losses.

15 **Comes now Plaintiff LETICIA BERMEJO, and alleges for a Second Cause of**  
16 **Action for Unfair Business Practice against Defendants National General Insurance**  
17 **Company, Integon National Insurance Company, and Does 1-50, as follows:**

18 437. Plaintiff hereby incorporates by reference as though set forth in full herein,  
19 Paragraphs 1 through 10, inclusive. On or about May 4, 2021, Plaintiff was in an auto accident  
20 where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly thereafter,  
21 Plaintiff's automobile policy was rescinded for an alleged failure to disclose members of  
22 Plaintiff's household.

23 438. That at all times herein mentioned Plaintiff had in force and effect an automobile  
24 insurance policy with defendants.

25 439. At all times herein mentioned, "Defendant Insurance Company(ies)" have  
26 engaged in unfair, unlawful and/or fraudulent business practices in violation of Business and  
27 Professions Code, sections 17200 et seq. The "Defendant Insurance Company(ies)" issue and/or  
28 underwrite policies of automobile insurance which typically have minimum policy limits. Their

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1 insureds are typically high risk, unsophisticated consumers. The policies of insurance maintain  
2 exclusions and definitions not found in the typical automobile policy. At all times herein  
3 mentioned the "Defendant Insurance Company(ies)" engaged in the business practice whereby  
4 when dealing with first party collision claims, the "Defendant Insurance Company(ies)" in  
5 referencing their "Reduced Coverage Disclosure Summary," the application for insurance, and/or  
6 certain provisions in the insurance policy itself, deny coverage based on immaterial provisions  
7 of said Disclosure, application, and/or insurance policy. In conjunction therewith, "Defendant  
8 Insurance Company(ies)" unilaterally send a notice of rescission and return the premiums paid.  
9 Specifically, the "Defendant Insurance Company(ies)" and each of them issue and/or underwrite  
10 policies of automobile insurance providing Collision coverage. By the terms of the policies, the  
11 collision coverage is applicable only when an insured vehicle is being driven by the named  
12 insured. Following an accident in which the insured's(s) vehicle(s) is(are) being driven by the  
13 named insured(s), the "Defendant Insurance Company(ies)" deny coverage based on the  
14 insured's(s) failure to inform defendants that the named insured(s) lived with family members,  
15 relatives, and/or other household members. Said rationale for denying coverage is irrelevant  
16 and immaterial in that the collision coverage underwritten and/or issued is present only when the  
17 insured vehicle(s) is being driven by the named insured(s) (and not when being driven by a  
18 family member, relative, or other permissive user.). As a result of this fraudulent, unlawful or  
19 unfair business practice, the "Defendant Insurance Company(ies)" save millions of dollars by not  
20 paying covered claims.

21 The "Defendant Insurance Company(ies)" have engaged in the pattern and practice of  
22 rescinding insurance policies of otherwise covered claims based on the immaterial provisions of  
23 the application for insurance and/or the insurance policy. The policy and practice of "Defendant  
24 Insurance Company(ies)" is to cover collision damage under very restrictive policy provisions in  
25 which said collision damage is covered only if the collision involves a covered vehicle driven by  
26 a named insured. If the covered vehicle is not involved in an accident, the "Defendant Insurance  
27 Company(ies)" profit from receipt of the premium. If the covered vehicle is involved in an  
28 accident when being driven by a named insured the "Defendant Insurance Company(ies)"

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1 engage in post-accident underwriting by rescinding the policy on an immaterial representation in  
2 the application or an immaterial policy provision, saving themselves millions of dollars by not  
3 reimbursing their insured for a covered claim. The "Defendant Insurance  
4 Company(ies)" unlawfully and unfairly take advantage of their insureds all to the "Defendant  
5 Insurance Company(ies)" financial benefit.

6 The conduct as herein alleged is unfair within the meaning of Business and Professions  
7 Code sections 17200 et seq. By not covering collision damage pursuant to the terms of the  
8 insurance policy, and rescinding the policy, the plaintiffs have suffered substantial damages in  
9 that plaintiffs were not reimbursed for the collision damages to their vehicles which in almost all  
10 cases are in the thousands of dollars per vehicle. The injury to plaintiffs by "Defendant  
11 Insurance Company(ies)"s wrongful conduct is not outweighed by any countervailing benefits to  
12 consumers. There is no benefit to the consuming public for members of the public to pay  
13 insurance premiums to "Defendant Insurance Company(ies)" for collision damage for their  
14 vehicles, and then after making a claim, have the "Defendant Insurance Company(ies)" rescind  
15 the insurance policy based on an immaterial term in the policy or application. The net result of  
16 said conduct is that "Defendant Insurance Company(ies)" unfairly avoid their contractual  
17 responsibilities under the insurance policies all to the benefit of the "Defendant Insurance  
18 Company(ies)" and all to the detriment of their policy holders, the consuming public. Further,  
19 the injury to plaintiffs could not be reasonably avoided and was not foreseeable. At all times,  
20 most of the policies of insurance underwritten and/or issued by "Defendant Insurance  
21 Company(ies)" were written with the minimum required limits of 15/30/5. The insureds are high  
22 risk and need to pay premiums on a monthly basis. Few insurance companies are willing to  
23 underwrite or issue policies to individuals in plaintiffs' position. As a result, plaintiffs have few  
24 other choices in the insurance market to obtain legally mandated insurance. Additionally, the  
25 injury to plaintiffs as a result of "Defendant Insurance Company(ies)" wrongful conduct in  
26 rescinding the policies was not foreseeable. Here, plaintiffs and each of them purchased  
27 insurance policies covering collision damage. The policies were written by "Defendant  
28 Insurance Company(ies)" and understood by plaintiffs' to cover collision damage to the covered



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1 vehicle only when being driven by the named insured. In each instance alleged herein the  
2 covered vehicles were being driven by the named insureds; as such it was unforeseeable to  
3 plaintiffs that they would not be reimbursed for damage to their respective vehicles. After the  
4 collision however, defendants inquired of plaintiffs whether they respectively resided with a  
5 relative or other person. Based on this after the fact investigation the "Defendant Insurance  
6 Company(ies)" in each instance alleged herein, unforeseeably rescinded the contract based on an  
7 immaterial term irrelevant to the terms of coverage and contrary to the reasonable expectations  
8 of their insureds.

9 Additionally, said business practice is unlawful and contrary to the law as set forth in  
10 Insurance Code, section 359. The "Defendant Insurance Company(ies)" and each of them  
11 unlawfully rescind the insurance contracts based on alleged misrepresentations or concealment  
12 by the insureds, which are not material as required by Insurance Code section 359. The  
13 fallacious grounds used by "Defendant Insurance Company(ies)" to rescind said policies is  
14 wholly irrelevant and immaterial to the underwriting and or issuance of collision coverage, all in  
15 derogation of the express provisions of Insurance Code section 359.

16 Said business practice is fraudulent in that the "Defendant Insurance Company(ies)"  
17 represent to their insureds in both the application and in the insurance policy that the insured will  
18 be covered for collision damage in the event of an accident wherein the covered vehicle is being  
19 driven by the named insured. In reliance on these representations the insureds procure insurance  
20 from "Defendant Insurance Company(ies)" and continue to pay monthly premiums to  
21 "Defendant Insurance Company(ies)" on their insurance policies. The representations by the  
22 "Defendant Insurance Company(ies)" are in fact false; following an accident in which the  
23 covered vehicle is being driven by the named insured, the "Defendant Insurance Company(ies)"  
24 refuse to cover the loss and rescind the policy based on an immaterial provision or disclosure in  
25 the application and insurance policy. Had plaintiffs known of the true facts, plaintiffs would not  
26 have procured collision coverage through "Defendant Insurance Company(ies)".

27 The Defendant Insurance Companies further engaged in fraudulent, deceptive and  
28 unlawful conduct in knowingly allowing their insurance brokers and agents to fail to

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1 communicate to Defendant Insurance Companies the fact that their insureds during the policy  
2 period, had changed addresses and/or moved in with other individuals. In encouraging and/or  
3 allowing said business practice to occur, the Defendant Insurance Companies are therefore able  
4 to deny coverage on an immaterial representation (or alleged failure to represent) relative to  
5 coverage. In knowingly allowing said insurance brokers and agents to engage in said conduct,  
6 said Defendant Insurance Companies must be deemed to have imputed knowledge as to the facts  
7 communicated by their insured(s) to said brokers and agents.

8 That the policies of insurance issued by the defendants and each of them, also contained  
9 liability insurance. The defendants and each of them engaged in unfair business practices by  
10 rescinding said policy of insurance and denying coverage, by engaging in post claim  
11 underwriting.

12 440. In denying Plaintiff's(s') collision claim(s), the "Defendant Insurance  
13 Company(ies)" and each of them relied on immaterial provisions of the Disclosure form, the  
14 application and/or the insurance policy as grounds for not covering Plaintiff's(s') collision  
15 claim(s). "Defendant Insurance Company(ies)"s unilaterally attempted to rescind the contract by  
16 returning the premiums paid by Plaintiff(s). As a result of this fraudulent and unfair business  
17 practice, plaintiffs have been deprived of the benefits which were due and owing under the terms  
18 and conditions of the respective insurance policies.

19 441. At all times herein mentioned the "Defendant Insurance Company(ies)" were  
20 unjustly enriched at the expense of Plaintiff(s), by retaining money due and owing Plaintiff(s).

21 442. As a result of "Defendant Insurance Company(ies)" retaining the money (the  
22 amount of collision damage due and owing Plaintiff, Plaintiff is entitled to restitution and/or  
23 restitutionary disgorgement of the amount to reimburse Plaintiff for her collision loss.

24 **Comes now Plaintiff LETICIA BERMEJO, and alleges for a Third Cause of Action**  
25 **for Breach of Contract against Defendants National General Insurance Company, Integon**  
26 **National Insurance Company and Does 1-50, as follows:**

27 443. Plaintiff hereby incorporates by reference as though set forth in full herein,  
28 Paragraphs 1 through 10, inclusive. On or about May 4, 2021, Plaintiff was in an auto accident

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1 where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly thereafter,  
2 Plaintiff's automobile policy was rescinded for an alleged failure to disclose members of  
3 Plaintiff's household.

4 444. That at all times herein mentioned Plaintiff had in force and effect an automobile  
5 insurance policy with defendants.

6 445. The "Defendant Insurance Company(ies)" breached the herein alleged insurance  
7 contract by not paying to Plaintiff the benefits due and owing under said insurance policy.

8 446. As special damages flowing from "Defendant Insurance Company(ies)" breach of  
9 contract, Plaintiff has sustained economic damages for the collision damage sustained by and the  
10 value of his or her car. Plaintiff also sustained other economic damages in liability to third  
11 parties. Plaintiff has sustained further economic damages in that Plaintiff's attorney is  
12 prosecuting the present matter. Plaintiff has and will continue to incur attorney's fees in the  
13 prosecution of this cause of action.

14 447. As a consequential result of the wrongful conduct of "Defendant Insurance  
15 Company(ies)", and each of them, Plaintiff has and or will sustain damages in an amount  
16 currently unknown to Plaintiff, but which will be shown according to proof at the time of trial.

17 **Comes now Plaintiff MAYA GAITERBRITON, and alleges for a First Cause of**  
18 **Action for Bad Faith (Breach of the Implied Covenant of Good Faith and Fair Dealing)**  
19 **against Defendants National General Insurance Company and Integon National Insurance**  
20 **Company and Does 1-50, as follows:**

21 448. Plaintiffs hereby incorporates by reference as though set forth in full herein  
22 Paragraphs 1 through 10, inclusive. On or about March 7, 2019, Plaintiff was in an auto accident  
23 where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly thereafter,  
24 Plaintiff's automobile policy was rescinded for an alleged failure to disclose members of  
25 Plaintiff's household.

26 449. That at all times herein mentioned Plaintiff had in force and effect an automobile  
27 insurance policy with defendants.

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1 450. Implied into the terms and conditions of the above referenced insurance policy is  
2 that "Defendant Insurance Company(ies)" would at all times deal with Plaintiff in good faith and  
3 with fair dealing. That at all times, the "Defendant Insurance Company(ies)" have not dealt with  
4 Plaintiff with good faith and fair dealing.

5 451. The above reasoning for refusing to pay Plaintiff's claim is fallacious and merely  
6 a ruse for "Defendant Insurance Company(ies)" refusal and failure to honor the terms and  
7 conditions of the policies of insurance. At all times herein mentioned, there was no material  
8 misrepresentation by Plaintiff and "Defendant Insurance Company(ies)" assertion thereof was  
9 done with the intent and purpose to avoid paying Plaintiff's claims, including their collision  
10 claim.

11 452. That at all times herein mention the policy of insurance issued by and  
12 underwritten by the defendants also contained liability coverage. The defendants and each of  
13 them engaged in post claim underwriting for purposes of rescinding the insurance policy and  
14 denying coverage

15 453. By engaging in the above referenced conduct, the "Defendant Insurance  
16 Company(ies)" and each of them have breached the implied covenant of good faith and fair  
17 dealing and have acted in bad faith toward Plaintiff.

18 454. As a proximate result of the wrongful conduct of "Defendant Insurance  
19 Company(ies)," and each of them, Plaintiff has sustained economic damages in excess of the  
20 minimum amount required for jurisdiction of the above-entitled court and which will be shown  
21 according to proof at the time of trial.

22 455. The above referenced conduct was done willfully and maliciously by "Defendant  
23 Insurance Company(ies)." Their refusal to pay the insurance policy benefits was done in  
24 conscious disregard of Plaintiff's rights with full knowledge that under the insurance policy as  
25 written, they were obligated to pay for Plaintiff's losses, yet refused to do so, knowing that said  
26 refusal would cause injury to Plaintiff. The "Defendant Insurance Company(ies)" conduct is  
27 despicable in that "Defendant Insurance Company(ies)" knew they had an obligation to pay for  
28 Plaintiff's losses, yet in total derogation of Plaintiff's rights, refused to pay for said losses.

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1 Comes now Plaintiff MAYA GAITERBRITON, and alleges for a Second Cause of  
2 Action for Unfair Business Practice against Defendants National General Insurance  
3 Company, Integon National Insurance Company, and Does 1-50, as follows:

4 456. Plaintiff hereby incorporates by reference as though set forth in full herein,  
5 Paragraphs 1 through 10, inclusive. On or about March 7, 2019, Plaintiff was in an auto accident  
6 where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly thereafter,  
7 Plaintiff's automobile policy was rescinded for an alleged failure to disclose members of  
8 Plaintiff's household.

9 457. That at all times herein mentioned Plaintiff had in force and effect an automobile  
10 insurance policy with defendants.

11 458. At all times herein mentioned, "Defendant Insurance Company(ies)" have  
12 engaged in unfair, unlawful and/or fraudulent business practices in violation of Business and  
13 Professions Code, sections 17200 et seq. The "Defendant Insurance Company(ies)" issue and/or  
14 underwrite policies of automobile insurance which typically have minimum policy limits. Their  
15 insureds are typically high risk, unsophisticated consumers. The policies of insurance maintain  
16 exclusions and definitions not found in the typical automobile policy. At all times herein  
17 mentioned the "Defendant Insurance Company(ies)" engaged in the business practice whereby  
18 when dealing with first party collision claims, the "Defendant Insurance Company(ies)" in  
19 referencing their "Reduced Coverage Disclosure Summary," the application for insurance, and/or  
20 certain provisions in the insurance policy itself, deny coverage based on immaterial provisions  
21 of said Disclosure, application, and/or insurance policy. In conjunction therewith, "Defendant  
22 Insurance Company(ies)" unilaterally send a notice of rescission and return the premiums paid.  
23 Specifically, the "Defendant Insurance Company(ies)" and each of them issue and/or underwrite  
24 policies of automobile insurance providing Collision coverage. By the terms of the policies, the  
25 collision coverage is applicable only when an insured vehicle is being driven by the named  
26 insured. Following an accident in which the insured's(s) vehicle(s) is(are) being driven by the  
27 named insured(s), the "Defendant Insurance Company(ies)" deny coverage based on the  
28 insured's(s) failure to inform defendants that the named insured(s) lived with family members,

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1 relatives, and/or other household members. Said rationale for denying coverage is irrelevant  
2 and immaterial in that the collision coverage underwritten and/or issued is present only when the  
3 insured vehicle(s) is being driven by the named insured(s) (and not when being driven by a  
4 family member, relative, or other permissive user.). As a result of this fraudulent, unlawful or  
5 unfair business practice, the "Defendant Insurance Company(ies)" save millions of dollars by not  
6 paying covered claims.

7 The "Defendant Insurance Company(ies)" have engaged in the pattern and practice of  
8 rescinding insurance policies of otherwise covered claims based on the immaterial provisions of  
9 the application for insurance and/or the insurance policy. The policy and practice of "Defendant  
10 Insurance Company(ies)" is to cover collision damage under very restrictive policy provisions in  
11 which said collision damage is covered only if the collision involves a covered vehicle driven by  
12 a named insured. If the covered vehicle is not involved in an accident, the "Defendant Insurance  
13 Company(ies)" profit from receipt of the premium. If the covered vehicle is involved in an  
14 accident when being driven by a named insured the "Defendant Insurance Company(ies)"  
15 engage in post-accident underwriting by rescinding the policy on an immaterial representation in  
16 the application or an immaterial policy provision, saving themselves millions of dollars by not  
17 reimbursing their insured for a covered claim. The "Defendant Insurance  
18 Company(ies)" unlawfully and unfairly take advantage of their insureds all to the "Defendant  
19 Insurance Company(ies)" financial benefit.

20 The conduct as herein alleged is unfair within the meaning of Business and Professions  
21 Code sections 17200 et seq. By not covering collision damage pursuant to the terms of the  
22 insurance policy, and rescinding the policy, the plaintiffs have suffered substantial damages in  
23 that plaintiffs were not reimbursed for the collision damages to their vehicles which in almost all  
24 cases are in the thousands of dollars per vehicle. The injury to plaintiffs by "Defendant  
25 Insurance Company(ies)"s wrongful conduct is not outweighed by any countervailing benefits to  
26 consumers. There is no benefit to the consuming public for members of the public to pay  
27 insurance premiums to "Defendant Insurance Company(ies)" for collision damage for their  
28 vehicles, and then after making a claim, have the "Defendant Insurance Company(ies)" rescind

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1 the insurance policy based on an immaterial term in the policy or application. The net result of  
2 said conduct is that "Defendant Insurance Company(ies)" unfairly avoid their contractual  
3 responsibilities under the insurance policies all to the benefit of the "Defendant Insurance  
4 Company(ies)" and all to the detriment of their policy holders, the consuming public. Further,  
5 the injury to plaintiffs could not be reasonably avoided and was not foreseeable. At all times,  
6 most of the policies of insurance underwritten and/or issued by "Defendant Insurance  
7 Company(ies)" were written with the minimum required limits of 15/30/5. The insureds are high  
8 risk and need to pay premiums on a monthly basis. Few insurance companies are willing to  
9 underwrite or issue policies to individuals in plaintiffs' position. As a result, plaintiffs have few  
10 other choices in the insurance market to obtain legally mandated insurance. Additionally, the  
11 injury to plaintiffs as a result of "Defendant Insurance Company(ies)" wrongful conduct in  
12 rescinding the policies was not foreseeable. Here, plaintiffs and each of them purchased  
13 insurance policies covering collision damage. The policies were written by "Defendant  
14 Insurance Company(ies)" and understood by plaintiffs' to cover collision damage to the covered  
15 vehicle only when being driven by the named insured. In each instance alleged herein the  
16 covered vehicles were being driven by the named insureds; as such it was unforeseeable to  
17 plaintiffs that they would not be reimbursed for damage to their respective vehicles. After the  
18 collision however, defendants inquired of plaintiffs whether they respectively resided with a  
19 relative or other person. Based on this after the fact investigation the "Defendant Insurance  
20 Company(ies)" in each instance alleged herein, unforeseeably rescinded the contract based on an  
21 immaterial term irrelevant to the terms of coverage and contrary to the reasonable expectations  
22 of their insureds.

23           Additionally, said business practice is unlawful and contrary to the law as set forth in  
24 Insurance Code, section 359. The "Defendant Insurance Company(ies)" and each of them  
25 unlawfully rescind the insurance contracts based on alleged misrepresentations or concealment  
26 by the insureds, which are not material as required by Insurance Code section 359. The  
27 fallacious grounds used by "Defendant Insurance Company(ies)" to rescind said policies is

28 ///

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1 wholly irrelevant and immaterial to the underwriting and or issuance of collision coverage, all in  
2 derogation of the express provisions of Insurance Code section 359.

3 Said business practice is fraudulent in that the "Defendant Insurance Company(ies)"  
4 represent to their insureds in both the application and in the insurance policy that the insured will  
5 be covered for collision damage in the event of an accident wherein the covered vehicle is being  
6 driven by the named insured. In reliance on these representations the insureds procure insurance  
7 from "Defendant Insurance Company(ies)" and continue to pay monthly premiums to  
8 "Defendant Insurance Company(ies)" on their insurance policies. The representations by the  
9 "Defendant Insurance Company(ies)" are in fact false; following an accident in which the  
10 covered vehicle is being driven by the named insured, the "Defendant Insurance Company(ies)"  
11 refuse to cover the loss and rescind the policy based on an immaterial provision or disclosure in  
12 the application and insurance policy. Had plaintiffs known of the true facts, plaintiffs would not  
13 have procured collision coverage through "Defendant Insurance Company(ies)"

14 The Defendant Insurance Companies further engaged in fraudulent, deceptive and  
15 unlawful conduct in knowingly allowing their insurance brokers and agents to fail to  
16 communicate to Defendant Insurance Companies the fact that their insureds during the policy  
17 period, had changed addresses and/or moved in with other individuals. In encouraging and/or  
18 allowing said business practice to occur, the Defendant Insurance Companies are therefore able  
19 to deny coverage on an immaterial representation (or alleged failure to represent) relative to  
20 coverage. In knowingly allowing said insurance brokers and agents to engage in said conduct,  
21 said Defendant Insurance Companies must be deemed to have imputed knowledge as to the facts  
22 communicated by their insured(s) to said brokers and agents.

23 That the policies of insurance issued by the defendants and each of them, also contained  
24 liability insurance. The defendants and each of them engaged in unfair business practices by  
25 rescinding said policy of insurance and denying coverage, by engaging in post claim  
26 underwriting.

27 459. In denying Plaintiff's(s) collision claim(s), the "Defendant Insurance  
28 Company(ies)" and each of them relied on immaterial provisions of the Disclosure form, the



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1 application and/or the insurance policy as grounds for not covering Plaintiff(s)' collision  
2 claim(s). "Defendant Insurance Company(ies)"s unilaterally attempted to rescind the contract by  
3 returning the premiums paid by Plaintiff(s). As a result of this fraudulent and unfair business  
4 practice, plaintiffs have been deprived of the benefits which were due and owing under the terms  
5 and conditions of the respective insurance policies.

6 460. At all times herein mentioned the "Defendant Insurance Company(ies)" were  
7 unjustly enriched at the expense of Plaintiff(s), by retaining money due and owing Plaintiff(s).

8 461. As a result of "Defendant Insurance Company(ies)" retaining the money (the  
9 amount of collision damage due and owing Plaintiff, Plaintiff is entitled to restitution and/or  
10 restitutionary disgorgement of the amount to reimburse Plaintiff for her collision loss.

11 **Comes now Plaintiff MAYA GAITERBRITON, and alleges for a Third Cause of**  
12 **Action for Breach of Contract against Defendants National General Insurance Company,**  
13 **Integon National Insurance Company and Does 1-50, as follows:**

14 462. Plaintiff hereby incorporates by reference as though set forth in full herein,  
15 Paragraphs 1 through 10, inclusive. On or about March 7, 2019, Plaintiff was in an auto accident  
16 where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly thereafter,  
17 Plaintiff's automobile policy was rescinded for an alleged failure to disclose members of  
18 Plaintiff's household.

19 463. That at all times herein mentioned Plaintiff had in force and effect an automobile  
20 insurance policy with defendants.

21 464. The "Defendant Insurance Company(ies)" breached the herein alleged insurance  
22 contract by not paying to Plaintiff the benefits due and owing under said insurance policy.

23 465. As special damages flowing from "Defendant Insurance Company(ies)" breach of  
24 contract, Plaintiff has sustained economic damages for the collision damage sustained by and the  
25 value of his or her car. Plaintiff also sustained other economic damages in liability to third  
26 parties. Plaintiff has sustained further economic damages in that Plaintiff's attorney is  
27 prosecuting the present matter. Plaintiff has and will continue to incur attorney's fees in the  
28 prosecution of this cause of action.

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1 466. As a consequential result of the wrongful conduct of "Defendant Insurance  
2 Company(ies)", and each of them, Plaintiff has and or will sustain damages in an amount  
3 currently unknown to Plaintiff, but which will be shown according to proof at the time of trial.

4 **Comes now Plaintiff MATIAS BRAVO HERRERA, and alleges for a First Cause of**  
5 **Action for Bad Faith (Breach of the Implied Covenant of Good Faith and Fair Dealing)**  
6 **against Defendants National General Insurance Company and Integon National Insurance**  
7 **Company and Does 1-50, as follows:**

8 467. Plaintiffs hereby incorporates by reference as though set forth in full herein  
9 Paragraphs 1 through 10, inclusive. On or about October 14, 2018, Plaintiff was in an auto  
10 accident where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly  
11 thereafter, Plaintiff's automobile policy was rescinded for an alleged failure to disclose members  
12 of Plaintiff's household.

13 468. That at all times herein mentioned Plaintiff had in force and effect an automobile  
14 insurance policy with defendants.

15 469. Implied into the terms and conditions of the above referenced insurance policy is  
16 that "Defendant Insurance Company(ies)" would at all times deal with Plaintiff in good faith and  
17 with fair dealing. That at all times, the "Defendant Insurance Company(ies)" have not dealt with  
18 Plaintiff with good faith and fair dealing.

19 470. The above reasoning for refusing to pay Plaintiff's claim is fallacious and merely  
20 a ruse for "Defendant Insurance Company(ies)" refusal and failure to honor the terms and  
21 conditions of the policies of insurance. At all times herein mentioned, there was no material  
22 misrepresentation by Plaintiff and "Defendant Insurance Company(ies)" assertion thereof was  
23 done with the intent and purpose to avoid paying Plaintiff's claims, including their collision  
24 claim.

25 471. That at all times herein mention the policy of insurance issued by and  
26 underwritten by the defendants also contained liability coverage. The defendants and each of  
27 them engaged in post claim underwriting for purposes of rescinding the insurance policy and  
28 denying coverage

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1 472. By engaging in the above referenced conduct, the "Defendant Insurance  
2 Company(ies)" and each of them have breached the implied covenant of good faith and fair  
3 dealing and have acted in bad faith toward Plaintiff.

4 473. As a proximate result of the wrongful conduct of "Defendant Insurance  
5 Company(ies)," and each of them, Plaintiff has sustained economic damages in excess of the  
6 minimum amount required for jurisdiction of the above-entitled court and which will be shown  
7 according to proof at the time of trial.

8 474. The above referenced conduct was done willfully and maliciously by "Defendant  
9 Insurance Company(ies)." Their refusal to pay the insurance policy benefits was done in  
10 conscious disregard of Plaintiff's rights with full knowledge that under the insurance policy as  
11 written, they were obligated to pay for Plaintiff's losses, yet refused to do so, knowing that said  
12 refusal would cause injury to Plaintiff. The "Defendant Insurance Company(ies)" conduct is  
13 despicable in that "Defendant Insurance Company(ies)" knew they had an obligation to pay for  
14 Plaintiff's losses, yet in total derogation of Plaintiff's rights, refused to pay for said losses.

15 **Comes now Plaintiff MATIAS BRAVO HERRERA, and alleges for a Second Cause**  
16 **of Action for Unfair Business Practice against Defendants National General Insurance**  
17 **Company, Integon National Insurance Company, and Does 1-50, as follows:**

18 475. Plaintiff hereby incorporates by reference as though set forth in full herein,  
19 Paragraphs 1 through 10, inclusive. On or about October 14, 2018, Plaintiff was in an auto  
20 accident where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly  
21 thereafter, Plaintiff's automobile policy was rescinded for an alleged failure to disclose members  
22 of Plaintiff's household.

23 476. That at all times herein mentioned Plaintiff had in force and effect an automobile  
24 insurance policy with defendants.

25 477. At all times herein mentioned, "Defendant Insurance Company(ies)" have  
26 engaged in unfair, unlawful and/or fraudulent business practices in violation of Business and  
27 Professions Code, sections 17200 et seq. The "Defendant Insurance Company(ies)" issue and/or  
28 underwrite policies of automobile insurance which typically have minimum policy limits. Their

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1 insureds are typically high risk, unsophisticated consumers. The policies of insurance maintain  
2 exclusions and definitions not found in the typical automobile policy. At all times herein  
3 mentioned the "Defendant Insurance Company(ies)" engaged in the business practice whereby  
4 when dealing with first party collision claims, the "Defendant Insurance Company(ies)" in  
5 referencing their "Reduced Coverage Disclosure Summary," the application for insurance, and/or  
6 certain provisions in the insurance policy itself, deny coverage based on immaterial provisions  
7 of said Disclosure, application, and/or insurance policy. In conjunction therewith, "Defendant  
8 Insurance Company(ies)" unilaterally send a notice of rescission and return the premiums paid.  
9 Specifically, the "Defendant Insurance Company(ies)" and each of them issue and/or underwrite  
10 policies of automobile insurance providing Collision coverage. By the terms of the policies, the  
11 collision coverage is applicable only when an insured vehicle is being driven by the named  
12 insured. Following an accident in which the insured's(s') vehicle(s) is(are) being driven by the  
13 named insured(s), the "Defendant Insurance Company(ies)" deny coverage based on the  
14 insured's(s') failure to inform defendants that the named insured(s) lived with family members,  
15 relatives, and/or other household members. Said rationale for denying coverage is irrelevant  
16 and immaterial in that the collision coverage underwritten and/or issued is present only when the  
17 insured vehicle(s) is being driven by the named insured(s) (and not when being driven by a  
18 family member, relative, or other permissive user.). As a result of this fraudulent, unlawful or  
19 unfair business practice, the "Defendant Insurance Company(ies)" save millions of dollars by not  
20 paying covered claims.

21 The "Defendant Insurance Company(ies)" have engaged in the pattern and practice of  
22 rescinding insurance policies of otherwise covered claims based on the immaterial provisions of  
23 the application for insurance and/or the insurance policy. The policy and practice of "Defendant  
24 Insurance Company(ies)" is to cover collision damage under very restrictive policy provisions in  
25 which said collision damage is covered only if the collision involves a covered vehicle driven by  
26 a named insured. If the covered vehicle is not involved in an accident, the "Defendant Insurance  
27 Company(ies)" profit from receipt of the premium. If the covered vehicle is involved in an  
28 accident when being driven by a named insured the "Defendant Insurance Company(ies)"

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1 engage in post-accident underwriting by rescinding the policy on an immaterial representation in  
2 the application or an immaterial policy provision, saving themselves millions of dollars by not  
3 reimbursing their insured for a covered claim. The "Defendant Insurance  
4 Company(ies)" unlawfully and unfairly take advantage of their insureds all to the "Defendant  
5 Insurance Company(ies)" financial benefit.

6 The conduct as herein alleged is unfair within the meaning of Business and Professions  
7 Code sections 17200 et seq. By not covering collision damage pursuant to the terms of the  
8 insurance policy, and rescinding the policy, the plaintiffs have suffered substantial damages in  
9 that plaintiffs were not reimbursed for the collision damages to their vehicles which in almost all  
10 cases are in the thousands of dollars per vehicle. The injury to plaintiffs by "Defendant  
11 Insurance Company(ies)"s wrongful conduct is not outweighed by any countervailing benefits to  
12 consumers. There is no benefit to the consuming public for members of the public to pay  
13 insurance premiums to "Defendant Insurance Company(ies)" for collision damage for their  
14 vehicles, and then after making a claim, have the "Defendant Insurance Company(ies)" rescind  
15 the insurance policy based on an immaterial term in the policy or application. The net result of  
16 said conduct is that "Defendant Insurance Company(ies)" unfairly avoid their contractual  
17 responsibilities under the insurance policies all to the benefit of the "Defendant Insurance  
18 Company(ies)" and all to the detriment of their policy holders, the consuming public. Further,  
19 the injury to plaintiffs could not be reasonably avoided and was not foreseeable. At all times,  
20 most of the policies of insurance underwritten and/or issued by "Defendant Insurance  
21 Company(ies)" were written with the minimum required limits of 15/30/5. The insureds are high  
22 risk and need to pay premiums on a monthly basis. Few insurance companies are willing to  
23 underwrite or issue policies to individuals in plaintiffs' position. As a result, plaintiffs have few  
24 other choices in the insurance market to obtain legally mandated insurance. Additionally, the  
25 injury to plaintiffs as a result of "Defendant Insurance Company(ies)" wrongful conduct in  
26 rescinding the policies was not foreseeable. Here, plaintiffs and each of them purchased  
27 insurance policies covering collision damage. The policies were written by "Defendant  
28 Insurance Company(ies)" and understood by plaintiffs' to cover collision damage to the covered

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1 vehicle only when being driven by the named insured. In each instance alleged herein the  
2 covered vehicles were being driven by the named insureds; as such it was unforeseeable to  
3 plaintiffs that they would not be reimbursed for damage to their respective vehicles. After the  
4 collision however, defendants inquired of plaintiffs whether they respectively resided with a  
5 relative or other person. Based on this after the fact investigation the "Defendant Insurance  
6 Company(ies)" in each instance alleged herein, unforeseeably rescinded the contract based on an  
7 immaterial term irrelevant to the terms of coverage and contrary to the reasonable expectations  
8 of their insureds.

9 Additionally, said business practice is unlawful and contrary to the law as set forth in  
10 Insurance Code, section 359. The "Defendant Insurance Company(ies)" and each of them  
11 unlawfully rescind the insurance contracts based on alleged misrepresentations or concealment  
12 by the insureds, which are not material as required by Insurance Code section 359. The  
13 fallacious grounds used by "Defendant Insurance Company(ies)" to rescind said policies is  
14 wholly irrelevant and immaterial to the underwriting and or issuance of collision coverage, all in  
15 derogation of the express provisions of Insurance Code section 359.

16 Said business practice is fraudulent in that the "Defendant Insurance Company(ies)"  
17 represent to their insureds in both the application and in the insurance policy that the insured will  
18 be covered for collision damage in the event of an accident wherein the covered vehicle is being  
19 driven by the named insured. In reliance on these representations the insureds procure insurance  
20 from "Defendant Insurance Company(ies)" and continue to pay monthly premiums to  
21 "Defendant Insurance Company(ies)" on their insurance policies. The representations by the  
22 "Defendant Insurance Company(ies)" are in fact false; following an accident in which the  
23 covered vehicle is being driven by the named insured, the "Defendant Insurance Company(ies)"  
24 refuse to cover the loss and rescind the policy based on an immaterial provision or disclosure in  
25 the application and insurance policy. Had plaintiffs known of the true facts, plaintiffs would not  
26 have procured collision coverage through "Defendant Insurance Company(ies)"

27 The Defendant Insurance Companies further engaged in fraudulent, deceptive and  
28 unlawful conduct in knowingly allowing their insurance brokers and agents to fail to

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1 communicate to Defendant Insurance Companies the fact that their insureds during the policy  
2 period, had changed addresses and/or moved in with other individuals. In encouraging and/or  
3 allowing said business practice to occur, the Defendant Insurance Companies are therefore able  
4 to deny coverage on an immaterial representation (or alleged failure to represent) relative to  
5 coverage. In knowingly allowing said insurance brokers and agents to engage in said conduct,  
6 said Defendant Insurance Companies must be deemed to have imputed knowledge as to the facts  
7 communicated by their insured(s) to said brokers and agents.

8 That the policies of insurance issued by the defendants and each of them, also contained  
9 liability insurance. The defendants and each of them engaged in unfair business practices by  
10 rescinding said policy of insurance and denying coverage, by engaging in post claim  
11 underwriting.

12 478. In denying Plaintiff's(s) collision claim(s), the "Defendant Insurance  
13 Company(ies)" and each of them relied on immaterial provisions of the Disclosure form, the  
14 application and/or the insurance policy as grounds for not covering Plaintiff's(s) collision  
15 claim(s). "Defendant Insurance Company(ies)"s unilaterally attempted to rescind the contract by  
16 returning the premiums paid by Plaintiff(s). As a result of this fraudulent and unfair business  
17 practice, plaintiffs have been deprived of the benefits which were due and owing under the terms  
18 and conditions of the respective insurance policies.

19 479. At all times herein mentioned the "Defendant Insurance Company(ies)" were  
20 unjustly enriched at the expense of Plaintiff(s), by retaining money due and owing Plaintiff(s).

21 480. As a result of "Defendant Insurance Company(ies)" retaining the money (the  
22 amount of collision damage due and owing Plaintiff, Plaintiff is entitled to restitution and/or  
23 restitutionary disgorgement of the amount to reimburse Plaintiff for her collision loss.

24 **Comes now Plaintiff MATIAS BRAVO HERRERA, and alleges for a Third Cause**  
25 **of Action for Breach of Contract against Defendants National General Insurance**  
26 **Company, Integon National Insurance Company and Does 1-50, as follows:**

27 481. Plaintiff hereby incorporates by reference as though set forth in full herein,  
28 Paragraphs 1 through 10, inclusive. On or about October 14, 2018, Plaintiff was in an auto

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1 accident where Plaintiff suffered losses covered by Plaintiff's automobile policy and shortly  
2 thereafter, Plaintiff's automobile policy was rescinded for an alleged failure to disclose members  
3 of Plaintiff's household.

4 482. That at all times herein mentioned Plaintiff had in force and effect an automobile  
5 insurance policy with defendants.

6 483. The "Defendant Insurance Company(ies)" breached the herein alleged insurance  
7 contract by not paying to Plaintiff the benefits due and owing under said insurance policy.

8 484. As special damages flowing from "Defendant Insurance Company(ies)" breach of  
9 contract, Plaintiff has sustained economic damages for the collision damage sustained by and the  
10 value of his or her car. Plaintiff also sustained other economic damages in liability to third  
11 parties. Plaintiff has sustained further economic damages in that Plaintiff's attorney is  
12 prosecuting the present matter. Plaintiff has and will continue to incur attorney's fees in the  
13 prosecution of this cause of action.

14 485. As a consequential result of the wrongful conduct of "Defendant Insurance  
15 Company(ies)", and each of them, Plaintiff has and or will sustain damages in an amount  
16 currently unknown to Plaintiff, but which will be shown according to proof at the time of trial.

17 **PRAYER**

18 WHEREFORE, Plaintiffs, and each of them, pray that judgment be entered against each  
19 and every Defendant and DOES 1 through 50, and each of them, as follows:

- 20 1. Economic damages in an amount according to proof;
- 21 2. Noneconomic damages in an amount according to proof;
- 22 3. Special damages in an amount according to proof;
- 23 4. Consequential damages in an amount according to proof;
- 24 3. Punitive and/or exemplary damages stemming from the First Cause of Action
- 25 asserted by and/or on behalf of each and every Plaintiff, and each of them, named herein;
- 26 4. Attorney's fees stemming from the Third Cause of Action asserted by and/or on
- 27 behalf of each and every Plaintiff, and each of them, named herein;

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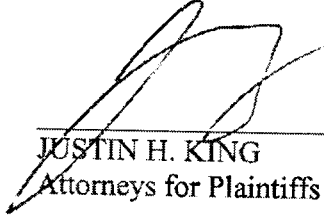


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- 1 5. Restitution stemming from the Second Cause of Action asserted by and/or on
- 2 behalf of each and every Plaintiff, and each of them, named herein;
- 3 6. Costs of Suit incurred herein; and
- 4 7. For such other relief as may be allowed.

5 Dated: 9/9/21

LAW OFFICES OF JUSTIN H. KING

7 

8 \_\_\_\_\_

9 JUSTIN H. KING

10 Attorneys for Plaintiffs

11 **DEMAND FOR JURY TRIAL**

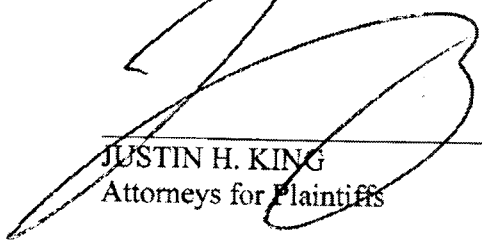
12 As to each and every cause of action alleged herein and as to each and every Defendant

13 and DOES 1 through 50, and each of them, Plaintiffs, and each of them, hereby demand a trial by

14 jury.

15 Dated: 9/9/21

LAW OFFICES OF JUSTIN H. KING

17 

18 \_\_\_\_\_

19 JUSTIN H. KING

20 Attorneys for Plaintiffs

21

22

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24

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**RECEIVED**  
**SEP 10 2021**  
SUPERIOR COURT OF CALIFORNIA  
COUNTY OF SAN BERNARDINO  
SAN BERNARDINO DISTRICT

# Exhibit 2

1 STEPHEN M. HAYES (SBN 83583)  
TYLER R. AUSTIN (SBN 293977)  
2 HAYES SCOTT BONINO ELLINGSON  
GUSLANI SIMONSON & CLAUSE LLP  
3 999 Skyway Road, Suite 310  
San Carlos, CA 94070  
4 Telephone: 650.637.9100  
Facsimile: 650.637.8071

5 Attorneys for Defendants  
6 NATIONAL GENERAL INSURANCE COMPANY and  
INTEGON NATIONAL INSURANCE COMPANY

7  
8 UNITED STATES DISTRICT COURT  
9 CENTRAL DISTRICT OF CALIFORNIA (WESTERN DIVISION)

10 BETTY J. SCOTT TORRES; MARIA  
11 CHAVEZ; TYLER THOMPSON; PABLO  
HERNANDEZ; YOLANDA SALAMANCA  
12 DIAZ; ASCENCION GALARZA; FRANKIE  
LEE TAYLOR, JR.; SUSANA MORENO  
13 ARIAS; MARCO ARANGO JERONIMO;  
JULIE MILLER; RICARDO RUIZ;  
14 CARLOS ARMANDO RUIZ RIVERA;  
MARY LUZ MARQUEZ LOBO; ROBERTO  
15 VILLASENOR CARDENAS; JONI  
CISOWSKI; SATIN WEAVER; WALTER  
16 SALAZAR MARTINEZ; ANTONIO  
BENITO ARELLANO; CORNELIUS L.  
17 SHIVERS; CHRISTIAN SCHEFFLER; JOSE  
AUGUSTIN PAZ MENDOZA; JESSE  
18 MIRAMONTES; LETICIA BERMEJO;  
MAYA GAITERBRITON; AND MATIAS  
19 BRAVO HERRERA, AS INDIVIDUALS  
AND ON BEHALF OF ALL OTHERS  
20 SIMILARLY SITUATED,

21 Plaintiffs,

22 vs.

23 NATIONAL GENERAL INSURANCE  
COMPANY; INTEGON NATIONAL  
24 INSURANCE COMPANY; AND DOES 1  
THROUGH 120,

25 Defendants.

CASE NO.: \_\_\_\_\_

**DEFENDANTS NATIONAL GENERAL  
INSURANCE COMPANY AND INTEGON  
NATIONAL INSURANCE COMPANY'S  
NOTICE OF REMOVAL OF CIVIL ACTION  
UNDER 28 U.S.C. SECTIONS 1332 AND 1441a  
[DIVERSITY JURISDICTION];  
DEMAND FOR JURY TRIAL**

Complaint Filed: September 10, 2021  
Trial Date: Not Yet Assigned.

1 STEPHEN M. HAYES (SBN 83583)  
TYLER R. AUSTIN (SBN 293977)  
2 HAYES SCOTT BONINO ELLINGSON  
GUSLANI SIMONSON & CLAUSE LLP  
3 999 Skyway Road, Suite 310  
San Carlos, CA 94070  
4 Telephone: 650.637.9100  
Facsimile: 650.637.8071

5 Attorneys for Defendants  
6 NATIONAL GENERAL INSURANCE COMPANY and  
INTEGON NATIONAL INSURANCE COMPANY

7  
8 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
9 IN AND FOR THE COUNTY OF SAN BERNARDINO

10 BETTY J. SCOTT TORRES; MARIA  
11 CHAVEZ; TYLER THOMPSON; PABLO  
HERNANDEZ; YOLANDA SALAMANCA  
12 DIAZ; ASCENCION GALARZA; FRANKIE  
LEE TAYLOR, JR.; SUSANA MORENO  
13 ARIAS; MARCO ARANGO JERONIMO;  
JULIE MILLER; RICARDO RUIZ;  
14 CARLOS ARMANDO RUIZ RIVERA;  
MARY LUZ MARQUEZ LOBO; ROBERTO  
VILLASENOR CARDENAS; JONI  
15 CISOWSKI; SATIN WEAVER; WALTER  
SALAZAR MARTINEZ; ANTONIO  
16 BENITO ARELLANO; CORNELIUS L.  
SHIVERS; CHRISTIAN SCHEFFLER; JOSE  
17 AUGUSTIN PAZ MENDOZA; JESSE  
MIRAMONTES; LETICIA BERMEJO;  
18 MAYA GAITERBRITON; AND MATIAS  
BRAVO HERRERA, AS INDIVIDUALS  
19 AND ON BEHALF OF ALL OTHERS  
SIMILARLY SITUATED,

20  
21 Plaintiffs,

22 vs.

23 NATIONAL GENERAL INSURANCE  
COMPANY; INTEGON NATIONAL  
24 INSURANCE COMPANY; AND DOES 1  
THROUGH 120,

25 Defendants.  
26  
27  
28

CASE NO.: CIV SB 2124803

**DEFENDANTS, NATIONAL GENERAL  
INSURANCE COMPANY AND INTEGON  
NATIONAL INSURANCE COMPANY'S,  
ANSWER TO PLAINTIFFS' COMPLAINT**

Complaint Filed: September 10, 2021  
Trial Date: Not Yet Assigned.

1 Defendants, National General Insurance Company and Integon National Insurance  
2 Company (collectively “Defendants”), in answering the Complaint filed by Plaintiffs, set forth the  
3 following:

4 **GENERAL DENIAL**

5 Defendants, in answer to the Complaint of Plaintiffs herein, herewith deny each and every,  
6 all and singular, generally and specifically, the allegations of the unverified Complaint, and in this  
7 connection Defendants deny that Plaintiffs have been injured or damaged in any of the sums  
8 mentioned in the Complaint, or in any sum, or at all as the result of any act or omission of these  
9 answering Defendants.

10 **AFFIRMATIVE DEFENSES**

11 AS A FIRST SEPARATE DEFENSE TO THE COMPLAINT ON FILE HEREIN, AND  
12 TO EACH ALLEGED CAUSE OF ACTION CONTAINED THEREIN, these answering  
13 Defendants allege that said Complaint fails to state facts sufficient to constitute a cause of action  
14 against these answering Defendants.

15 AS A SECOND SEPARATE DEFENSE TO THE COMPLAINT ON FILE HEREIN, AND  
16 TO EACH ALLEGED CAUSE OF ACTION CONTAINED THEREIN, these answering  
17 Defendants allege that Plaintiffs have waived and are estopped and barred from alleging the matters  
18 set forth in the Complaint.

19 AS A THIRD SEPARATE DEFENSE TO THE COMPLAINT ON FILE HEREIN, AND  
20 TO EACH ALLEGED CAUSE OF ACTION CONTAINED THEREIN, these answering  
21 Defendants allege that Plaintiffs’ claims are barred by the doctrine of judicial estoppel.

22 AS A FOURTH SEPARATE DEFENSE TO THE COMPLAINT ON FILE HEREIN, AND  
23 TO EACH ALLEGED CAUSE OF ACTION CONTAINED THEREIN, these answering  
24 Defendants allege that at all times and places mentioned in the Complaint, Plaintiffs failed to  
25 perform certain conditions precedent and/or warranties that were imposed upon Plaintiffs by  
26 contract. The non-performance of said conditions and/or warranties excused Defendants’  
27 obligations under the contract, and/or entitled the Defendants to rescind the contract.  
28

1 AS A FIFTH SEPARATE DEFENSE TO THE COMPLAINT ON FILE HEREIN, AND  
2 TO EACH ALLEGED CAUSE OF ACTION CONTAINED THEREIN, these answering  
3 Defendants allege that at all times and places mentioned in the Complaint herein, Plaintiffs failed to  
4 mitigate the amount of their alleged damages. The damages claimed by Plaintiffs could have been  
5 mitigated by due diligence on their part or by one acting under similar circumstances. Plaintiffs'  
6 failure to mitigate is a bar to their recovery under the Complaint.

7 AS A SIXTH SEPARATE DEFENSE TO THE COMPLAINT ON FILE HEREIN, AND  
8 TO EACH ALLEGED CAUSE OF ACTION CONTAINED THEREIN, these answering  
9 Defendants allege that the insurance policy at issue in the Complaint afforded no coverage or  
10 coverage was barred by one or more exclusions or other provisions in said policy.

11 AS A SEVENTH SEPARATE DEFENSE TO THE COMPLAINT ON FILE HEREIN,  
12 AND TO EACH ALLEGED CAUSE OF ACTION CONTAINED THEREIN, these answering  
13 Defendants allege on information and belief that Plaintiffs cannot assert any contractual causes of  
14 action set forth in its Complaint because Plaintiffs prevented performance of said contract.

15 AS AN EIGHTH SEPARATE DEFENSE TO THE COMPLAINT ON FILE HEREIN,  
16 AND TO EACH ALLEGED CAUSE OF ACTION CONTAINED THEREIN, these answering  
17 Defendants allege on information and belief that Plaintiffs cannot assert any of the contractual  
18 causes of action contained in its Complaint because Plaintiffs materially breached said contract.

19 AS A NINTH SEPARATE DEFENSE TO THE COMPLAINT ON FILE HEREIN, AND  
20 TO EACH ALLEGED CAUSE OF ACTION CONTAINED THEREIN, these answering  
21 Defendants allege that Plaintiffs cannot assert any of the contractual claims contained in their  
22 Complaint because Plaintiffs materially breached said contract.

23 AS A TENTH SEPARATE DEFENSE TO THE COMPLAINT ON FILE HEREIN, AND  
24 TO EACH ALLEGED CAUSE OF ACTION CONTAINED THEREIN, these answering  
25 Defendants allege that Plaintiffs cannot assert any of the contractual claims contained in their  
26 Complaint because Plaintiffs made material misrepresentations and/or concealments in their  
27 insurance policy applications.  
28

1 AS AN ELEVENTH SEPARATE DEFENSE TO THE COMPLAINT ON FILE HEREIN,  
2 AND TO EACH ALLEGED CAUSE OF ACTION CONTAINED THEREIN, these answering  
3 Defendants allege that Plaintiffs' Complaint, to the extent that it seeks exemplary or punitive  
4 damages pursuant to §3294 of the Civil Code, violates Defendants' right to procedural due process  
5 under the Fourteenth Amendment of the United States Constitution, and the Constitution of the  
6 State of California, and therefore fails to state a cause of action upon which either punitive or  
7 exemplary damages can be awarded.

8 AS A TWELFTH SEPARATE DEFENSE TO THE COMPLAINT ON FILE HEREIN,  
9 AND TO EACH ALLEGED CAUSE OF ACTION CONTAINED THEREIN, these answering  
10 Defendants allege that Plaintiffs' Complaint, to the extent that it seeks punitive or exemplary  
11 damages pursuant to §3294 of the Civil Code, violates Defendants' rights to protection from  
12 "excessive fines" as provided in the Eighth Amendment of the United States Constitution and  
13 Article I, Section 17, of the Constitution of the State of California, and violates Defendants' rights  
14 to substantive due process as provided in the Fifth and Fourteenth Amendments of the United States  
15 Constitution and the Constitution of the State of California, and therefore fails to state a cause of  
16 action supporting the punitive or exemplary damages claimed.

17 AS A THIRTEENTH SEPARATE DEFENSE TO THE COMPLAINT ON FILE HEREIN,  
18 AND TO EACH ALLEGED CAUSE OF ACTION CONTAINED THEREIN, these answering  
19 Defendants allege that Plaintiffs have consented and acquiesced to the matters alleged in the  
20 Complaint.

21 AS A FOURTEENTH SEPARATE DEFENSE TO THE COMPLAINT ON FILE  
22 HEREIN, AND TO EACH ALLEGED CAUSE OF ACTION CONTAINED THEREIN, these  
23 answering Defendants allege that Plaintiffs by their own conduct are estopped to pursue the  
24 recovery sought in the Complaint, and each and every purported claim for relief set forth therein, or  
25 any recovery at all.

26 AS A FIFTEENTH SEPARATE DEFENSE TO THE COMPLAINT ON FILE HEREIN,  
27 AND TO EACH ALLEGED CAUSE OF ACTION CONTAINED THEREIN, these answering  
28 Defendants allege that any and all damages sustained by Plaintiffs, if at all, were proximately



1 caused by the acts or omissions of parties other than Defendants, including Third parties, and,  
2 therefore, any award against Defendants should be reduced by the comparative or contributory fault  
3 of those other parties.

4 AS A SIXTEENTH SEPARATE DEFENSE TO THE COMPLAINT ON FILE HEREIN,  
5 AND TO EACH ALLEGED CAUSE OF ACTION CONTAINED THEREIN, these answering  
6 Defendants allege that the causes of action set forth in the Complaint are, and each of them is, time-  
7 barred by the applicable insurance policy or the statute of limitations set forth in the applicable  
8 provisions of Code of Civil Procedure sections 335 et seq., including but not limited to sections 337  
9 and 339.

10 AS A SEVENTEENTH, SEPARATE DEFENSE TO THE COMPLAINT ON FILE  
11 HEREIN, AND TO EACH ALLEGED CAUSE OF ACTION CONTAINED THEREIN, these  
12 answering Defendants allege that the Complaint is barred by the doctrine of laches.

13 AS AN EIGHTEENTH, SEPARATE DEFENSE TO THE COMPLAINT ON FILE  
14 HEREIN, AND TO EACH ALLEGED CAUSE OF ACTION CONTAINED THEREIN, these  
15 answering Defendants allege that the Complaint is barred by the doctrine of unclean hands.

16 **PRAYER FOR RELIEF**


17 WHEREFORE, these answering Defendants pray for judgment against Plaintiffs as follows:

- 18 1. That Plaintiffs take nothing by their Complaint;
  - 19 2. That Plaintiffs' Complaint be dismissed with prejudice;
  - 20 3. That judgment is entered in favor of Defendants on Plaintiffs' Complaint;
  - 21 4. For costs of suit incurred herein; and
  - 22 5. For such other and further relief as the Court deems proper.
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Dated: October 19, 2021

HAYES SCOTT BONINO ELLINGSON  
GUSLANI SIMONSON & CLAUSE LLP

By   
STEPHEN M. HAYES  
TYLER R. AUSTIN  
Attorneys for Defendants  
NATIONAL GENERAL INSURANCE COMPANY  
and INTEGON NATIONAL INSURANCE  
COMPANY

1 **CASE NAME: *Torres v. National General Insurance Company, et al.***  
2 **CASE NO.: CIV SB 2124803**

3 **PROOF OF SERVICE**

4 I am a resident of the State of California. My business address is 999 Skyway Road, Suite  
5 310, San Carlos 94070. I am employed in the County of San Mateo where this service occurs. I am  
6 over the age of 18 years, and not a party to the within cause. I am readily familiar with my  
7 employer’s normal business practice for collection and processing of correspondence for mailing  
8 with the U.S. Postal Service, and that practice is that correspondence is deposited with the U.S.  
9 Postal Service the same day as the day of collection in the ordinary course of business.

10 On the date set forth below, following ordinary business practice, I served a true copy of the  
11 foregoing document(s) described as:

12 **DEFENDANTS, NATIONAL GENERAL INSURANCE COMPANY AND INTEGON**  
13 **NATIONAL INSURANCE COMPANY’S, ANSWER TO PLAINTIFFS’ COMPLAINT**

- 14  **(BY MAIL)** I caused such envelope(s) with postage thereon fully prepaid to be placed  
15 in the United States mail at San Carlos, California.
- 16  **(BY E-MAIL)** – by transmitting via electronic mail the document(s) listed above to  
17 the email address(es) set forth below, or as stated on the attached service list, on this  
18 date before 5:00 p.m.,

19 Justin H. King, Esq.  
20 Law offices of Justin H. King  
21 8301 Utica Avenue, Suite 101  
22 Rancho Cucamonga, California 91730  
23 Telephone: 909.297.5001  
24 Facsimile: 909.297.5126  
25 Email: [jking@justinkinglaw.com](mailto:jking@justinkinglaw.com)

26 *Attorney for Plaintiffs*  
27 **BETTY J. SCOTT TORRES, etc., as**  
28 **Individuals and on behalf of others**  
**similarly situated**

- (State)* I declare under penalty of perjury under the laws of the State of California  
that the above is true and correct.

Executed on October 19, 2021 at San Carlos, California.

  
Dolores A Mayorga

1 **CASE NAME:** *Torres v. National General Insurance Company, et al.*  
2 **CASE NO.:** U.S.D.C., Central District No.: \_\_\_\_\_

3 **PROOF OF SERVICE**

4 I am a resident of the State of California. My business address is 999 Skyway Road, Suite  
5 310, San Carlos 94070. I am employed in the County of San Mateo where this service occurs. I am  
6 over the age of 18 years, and not a party to the within cause. I am readily familiar with my  
7 employer’s normal business practice for collection and processing of correspondence for mailing  
8 with the U.S. Postal Service, and that practice is that correspondence is deposited with the U.S.  
9 Postal Service the same day as the day of collection in the ordinary course of business.

10 On the date set forth below, following ordinary business practice, I served a true copy of the  
11 foregoing document(s) described as:

12 **DEFENDANTS NATIONAL GENERAL INSURANCE COMPANY AND INTEGON**  
13 **NATIONAL INSURANCE COMPANY’S NOTICE OF REMOVAL OF CIVIL ACTION**  
14 **UNDER 28 U.S.C. SECTIONS 1332 AND 1441a [DIVERSITY JURISDICTION];**  
15 **DEMAND FOR JURY TRIAL**

- 16  **(BY MAIL)** I caused such envelope(s) with postage thereon fully prepaid to be placed  
17 in the United States mail at San Carlos, California.  
18  **(BY E-MAIL)** – by transmitting via electronic mail the document(s) listed above to  
19 the email address(es) set forth below, or as stated on the attached service list, on this  
20 date before 5:00 p.m.,

21 Justin H. King, Esq.  
22 Law offices of Justin H. King  
23 8301 Utica Avenue, Suite 101  
24 Rancho Cucamonga, California 91730  
25 Telephone: 909.297.5001  
26 Facsimile: 909.297.5126  
27 Email: [jking@justinkinglaw.com](mailto:jking@justinkinglaw.com)  
28 Email: [sponce@justinkinglaw.com](mailto:sponce@justinkinglaw.com)

*Attorney for Plaintiffs*  
**BETTY J. SCOTT TORRES, etc., as**  
**Individuals and on behalf of others**  
**similarly situated**

- (State)* I declare under penalty of perjury under the laws of the State of California  
that the above is true and correct.

Executed on October 19, 2021 at San Carlos, California.

  
\_\_\_\_\_  
Dolores A Mayorga

**UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA  
CIVIL COVER SHEET**

<b>I. (a) PLAINTIFFS</b> ( Check box if you are representing yourself <input type="checkbox"/> ) BETTY J. SCOTT TORRES, MARIA CHAVEZ; TYLER THOMPSON; PABLO HERNANDEZ; YOLANDA SALAMANCA DIAZ; ASCENCION GALARZA; FRANKIE LEE TAYLOR, JR.; AS INDIVIDUALS AND ON BEHALF OF ALL OTHERS SIMILARLY SITUATED	<b>DEFENDANTS</b> ( Check box if you are representing yourself <input type="checkbox"/> ) NATIONAL GENERAL INSURANCE COMPANY and INTEGON NATIONAL INSURANCE COMPANY
(b) County of Residence of First Listed Plaintiff _____ <i>(EXCEPT IN U.S. PLAINTIFF CASES)</i>	County of Residence of First Listed Defendant _____ <i>(IN U.S. PLAINTIFF CASES ONLY)</i>
(c) Attorneys (Firm Name, Address and Telephone Number) If you are representing yourself, provide the same information.  Justin H. King, Esq., Law offices of Justin H. King; 8301 Utica Avenue, Suite 101 Rancho Cucamonga, California 91730; T: 909.297.5001	Attorneys (Firm Name, Address and Telephone Number) If you are representing yourself, provide the same information.  Stephen M. Hayes, 83583; Tyler R. Austin, 293977, Hayes Scott Bonino Ellingson Guslani Simonson & Clause, LLP 999 Skyway Rdl, Suite 310, San Carlos, CA 94070; T: 650.637.9100

<b>II. BASIS OF JURISDICTION</b> (Place an X in one box only.)  <input type="checkbox"/> 1. U.S. Government Plaintiff <input type="checkbox"/> 2. U.S. Government Defendant <input type="checkbox"/> 3. Federal Question (U.S. Government Not a Party) <input checked="" type="checkbox"/> 4. Diversity (Indicate Citizenship of Parties in Item III)	<b>III. CITIZENSHIP OF PRINCIPAL PARTIES</b> -For Diversity Cases Only (Place an X in one box for plaintiff and one for defendant) <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:33%;">Citizen of This State</td> <td style="width:10%;">PTF <input checked="" type="checkbox"/> 1</td> <td style="width:10%;">DEF <input type="checkbox"/> 1</td> <td style="width:33%;">Incorporated or Principal Place of Business in this State</td> <td style="width:10%;">PTF <input type="checkbox"/> 4</td> <td style="width:10%;">DEF <input type="checkbox"/> 4</td> </tr> <tr> <td>Citizen of Another State</td> <td>PTF <input type="checkbox"/> 2</td> <td>DEF <input type="checkbox"/> 2</td> <td>Incorporated and Principal Place of Business in Another State</td> <td>PTF <input type="checkbox"/> 5</td> <td>DEF <input checked="" type="checkbox"/> 5</td> </tr> <tr> <td>Citizen or Subject of a Foreign Country</td> <td>PTF <input type="checkbox"/> 3</td> <td>DEF <input type="checkbox"/> 3</td> <td>Foreign Nation</td> <td>PTF <input type="checkbox"/> 6</td> <td>DEF <input type="checkbox"/> 6</td> </tr> </table>	Citizen of This State	PTF <input checked="" type="checkbox"/> 1	DEF <input type="checkbox"/> 1	Incorporated or Principal Place of Business in this State	PTF <input type="checkbox"/> 4	DEF <input type="checkbox"/> 4	Citizen of Another State	PTF <input type="checkbox"/> 2	DEF <input type="checkbox"/> 2	Incorporated and Principal Place of Business in Another State	PTF <input type="checkbox"/> 5	DEF <input checked="" type="checkbox"/> 5	Citizen or Subject of a Foreign Country	PTF <input type="checkbox"/> 3	DEF <input type="checkbox"/> 3	Foreign Nation	PTF <input type="checkbox"/> 6	DEF <input type="checkbox"/> 6
Citizen of This State	PTF <input checked="" type="checkbox"/> 1	DEF <input type="checkbox"/> 1	Incorporated or Principal Place of Business in this State	PTF <input type="checkbox"/> 4	DEF <input type="checkbox"/> 4														
Citizen of Another State	PTF <input type="checkbox"/> 2	DEF <input type="checkbox"/> 2	Incorporated and Principal Place of Business in Another State	PTF <input type="checkbox"/> 5	DEF <input checked="" type="checkbox"/> 5														
Citizen or Subject of a Foreign Country	PTF <input type="checkbox"/> 3	DEF <input type="checkbox"/> 3	Foreign Nation	PTF <input type="checkbox"/> 6	DEF <input type="checkbox"/> 6														

**IV. ORIGIN** (Place an X in one box only.)

<input type="checkbox"/> 1. Original Proceeding	<input checked="" type="checkbox"/> 2. Removed from State Court	<input type="checkbox"/> 3. Remanded from Appellate Court	<input type="checkbox"/> 4. Reinstated or Reopened	<input type="checkbox"/> 5. Transferred from Another District (Specify)	<input type="checkbox"/> 6. Multidistrict Litigation - Transfer	<input type="checkbox"/> 8. Multidistrict Litigation - Direct File
---	---	---	--	---	---	--

**V. REQUESTED IN COMPLAINT: JURY DEMAND:**  Yes  No (Check "Yes" only if demanded in complaint.)

**CLASS ACTION under F.R.Cv.P. 23:**  Yes  No **MONEY DEMANDED IN COMPLAINT:** \$ 75,000+

**VI. CAUSE OF ACTION** (Cite the U.S. Civil Statute under which you are filing and write a brief statement of cause. Do not cite jurisdictional statutes unless diversity.)  
 Breach of insurance contract, insurance bad faith, unfair competition related to Integon's policy of rescinding insurance policies for material misrepresentations.

**VII. NATURE OF SUIT** (Place an X in one box only.)

OTHER STATUTES	CONTRACT	REAL PROPERTY CONT.	IMMIGRATION	PRISONER PETITIONS	PROPERTY RIGHTS
<input type="checkbox"/> 375 False Claims Act	<input checked="" type="checkbox"/> 110 Insurance	<input type="checkbox"/> 240 Torts to Land	<input type="checkbox"/> 462 Naturalization Application	<b>Habeas Corpus:</b>	<input type="checkbox"/> 820 Copyrights
<input type="checkbox"/> 376 Qui Tam (31 USC 3729(a))	<input type="checkbox"/> 120 Marine	<input type="checkbox"/> 245 Tort Product Liability	<input type="checkbox"/> 465 Other Immigration Actions	<input type="checkbox"/> 463 Alien Detainee	<input type="checkbox"/> 830 Patent
<input type="checkbox"/> 400 State Reapportionment	<input type="checkbox"/> 130 Miller Act	<input type="checkbox"/> 290 All Other Real Property	<b>TORTS</b>	<input type="checkbox"/> 510 Motions to Vacate Sentence	<input type="checkbox"/> 835 Patent - Abbreviated New Drug Application
<input type="checkbox"/> 410 Antitrust	<input type="checkbox"/> 140 Negotiable instrument	<b>TORTS</b>	<b>PERSONAL PROPERTY</b>	<input type="checkbox"/> 530 General	<input type="checkbox"/> 840 Trademark
<input type="checkbox"/> 430 Banks and Banking	<input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment	<b>PERSONAL INJURY</b>	<input type="checkbox"/> 370 Other Fraud	<input type="checkbox"/> 535 Death Penalty	<input type="checkbox"/> 880 Defend Trade Secrets Act of 2016 (DTSA)
<input type="checkbox"/> 450 Commerce/ICC Rates/Etc.	<input type="checkbox"/> 151 Medicare Act	<input type="checkbox"/> 310 Airplane	<input type="checkbox"/> 371 Truth in Lending	<b>Other:</b>	<b>SOCIAL SECURITY</b>
<input type="checkbox"/> 460 Deportation	<input type="checkbox"/> 152 Recovery of Defaulted Student Loan (Excl. Vet.)	<input type="checkbox"/> 315 Airplane Product Liability	<input type="checkbox"/> 380 Other Personal Property Damage	<input type="checkbox"/> 540 Mandamus/Other	<input type="checkbox"/> 861 HIA (1395ff)
<input type="checkbox"/> 470 Racketeer Influenced & Corrupt Org.	<input type="checkbox"/> 153 Recovery of Overpayment of Vet. Benefits	<input type="checkbox"/> 320 Assault, Libel & Slander	<input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 550 Civil Rights	<input type="checkbox"/> 862 Black Lung (923)
<input type="checkbox"/> 480 Consumer Credit	<input type="checkbox"/> 160 Stockholders' Suits	<input type="checkbox"/> 330 Fed. Employers' Liability	<b>BANKRUPTCY</b>	<input type="checkbox"/> 555 Prison Condition	<input type="checkbox"/> 863 DIWC/DIWW (405 (g))
<input type="checkbox"/> 485 Telephone Consumer Protection Act	<input type="checkbox"/> 190 Other Contract	<input type="checkbox"/> 340 Marine	<input type="checkbox"/> 422 Appeal 28 USC 158	<input type="checkbox"/> 560 Civil Detainee Conditions of Confinement	<input type="checkbox"/> 864 SSID Title XVI
<input type="checkbox"/> 490 Cable/Sat TV	<input type="checkbox"/> 195 Contract Product Liability	<input type="checkbox"/> 345 Marine Product Liability	<input type="checkbox"/> 423 Withdrawal 28 USC 157	<b>FORFEITURE/PENALTY</b>	<input type="checkbox"/> 865 RSI (405 (g))
<input type="checkbox"/> 850 Securities/Commodities/Exchange	<input type="checkbox"/> 196 Franchise	<input type="checkbox"/> 350 Motor Vehicle Product Liability	<b>CIVIL RIGHTS</b>	<input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881	<b>FEDERAL TAX SUITS</b>
<input type="checkbox"/> 890 Other Statutory Actions	<b>REAL PROPERTY</b>	<input type="checkbox"/> 355 Motor Vehicle Product Liability	<input type="checkbox"/> 440 Other Civil Rights	<input type="checkbox"/> 690 Other	<input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant)
<input type="checkbox"/> 891 Agricultural Acts	<input type="checkbox"/> 210 Land Condemnation	<input type="checkbox"/> 360 Other Personal Injury	<input type="checkbox"/> 441 Voting	<b>LABOR</b>	<input type="checkbox"/> 871 IRS-Third Party 26 USC 7609
<input type="checkbox"/> 893 Environmental Matters	<input type="checkbox"/> 220 Foreclosure	<input type="checkbox"/> 362 Personal Injury-Med Malpractice	<input type="checkbox"/> 442 Employment	<input type="checkbox"/> 710 Fair Labor Standards Act	
<input type="checkbox"/> 895 Freedom of Info. Act	<input type="checkbox"/> 230 Rent Lease & Ejectment	<input type="checkbox"/> 365 Personal Injury-Product Liability	<input type="checkbox"/> 443 Housing/Accommodations	<input type="checkbox"/> 720 Labor/Mgmt. Relations	
<input type="checkbox"/> 896 Arbitration		<input type="checkbox"/> 367 Health Care/Pharmaceutical Personal Injury Product Liability	<input type="checkbox"/> 444 Employment Accommodations	<input type="checkbox"/> 740 Railway Labor Act	
<input type="checkbox"/> 899 Admin. Procedures Act/Review of Appeal of Agency Decision		<input type="checkbox"/> 368 Asbestos Personal Injury Product Liability	<input type="checkbox"/> 445 American with Disabilities-Employment	<input type="checkbox"/> 751 Family and Medical Leave Act	
<input type="checkbox"/> 950 Constitutionality of State Statutes			<input type="checkbox"/> 446 American with Disabilities-Other	<input type="checkbox"/> 790 Other Labor Litigation	
			<input type="checkbox"/> 448 Education	<input type="checkbox"/> 791 Employee Ret. Inc. Security Act	



**UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA  
CIVIL COVER SHEET**

**VIII. VENUE:** Your answers to the questions below will determine the division of the Court to which this case will be initially assigned. This initial assignment is subject to change, in accordance with the Court's General Orders, upon review by the Court of your Complaint or Notice of Removal.

<b>QUESTION A: Was this case removed from state court?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  If "no," skip to Question B. If "yes," check the box to the right that applies, enter the corresponding division in response to Question E, below, and continue from there.	STATE CASE WAS PENDING IN THE COUNTY OF:		INITIAL DIVISION IN CACD IS:
	<input type="checkbox"/> Los Angeles, Ventura, Santa Barbara, or San Luis Obispo		Western
	<input type="checkbox"/> Orange		Southern
	<input checked="" type="checkbox"/> Riverside or San Bernardino		Eastern

<b>QUESTION B: Is the United States, or one of its agencies or employees, a PLAINTIFF in this action?</b>  <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  If "no," skip to Question C. If "yes," answer Question B.1, at right.	<b>B.1.</b> Do 50% or more of the defendants who reside in the district reside in Orange Co?  check one of the boxes to the right →	<input type="checkbox"/> YES. Your case will initially be assigned to the Southern Division. Enter "Southern" in response to Question E, below, and continue from there.  <input checked="" type="checkbox"/> NO. Continue to Question B.2.
	<b>B.2.</b> Do 50% or more of the defendants who reside in the district reside in Riverside and/or San Bernardino Counties? (Consider the two counties together.)  check one of the boxes to the right →	<input type="checkbox"/> YES. Your case will initially be assigned to the Eastern Division. Enter "Eastern" in response to Question E, below, and continue from there.  <input checked="" type="checkbox"/> NO. Your case will initially be assigned to the Western Division. Enter "Western" in response to Question E, below, and continue from there.

<b>QUESTION C: Is the United States, or one of its agencies or employees, a DEFENDANT in this action?</b>  <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  If "no," skip to Question D. If "yes," answer Question C.1, at right.	<b>C.1.</b> Do 50% or more of the plaintiffs who reside in the district reside in Orange Co?  check one of the boxes to the right →	<input type="checkbox"/> YES. Your case will initially be assigned to the Southern Division. Enter "Southern" in response to Question E, below, and continue from there.  <input checked="" type="checkbox"/> NO. Continue to Question C.2.
	<b>C.2.</b> Do 50% or more of the plaintiffs who reside in the district reside in Riverside and/or San Bernardino Counties? (Consider the two counties together.)  check one of the boxes to the right →	<input checked="" type="checkbox"/> YES. Your case will initially be assigned to the Eastern Division. Enter "Eastern" in response to Question E, below, and continue from there.  <input type="checkbox"/> NO. Your case will initially be assigned to the Western Division. Enter "Western" in response to Question E, below, and continue from there.

<b>QUESTION D: Location of plaintiffs and defendants?</b>  Indicate the location(s) in which 50% or more of <i>plaintiffs who reside in this district</i> reside. (Check up to two boxes, or leave blank if none of these choices apply.)  Indicate the location(s) in which 50% or more of <i>defendants who reside in this district</i> reside. (Check up to two boxes, or leave blank if none of these choices apply.)	<b>A.</b> Orange County	<b>B.</b> Riverside or San Bernardino County	<b>C.</b> Los Angeles, Ventura, Santa Barbara, or San Luis Obispo County
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<b>D.1. Is there at least one answer in Column A?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  If "yes," your case will initially be assigned to the SOUTHERN DIVISION.  Enter "Southern" in response to Question E, below, and continue from there.  If "no," go to question D2 to the right. →	<b>D.2. Is there at least one answer in Column B?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  If "yes," your case will initially be assigned to the EASTERN DIVISION.  Enter "Eastern" in response to Question E, below.  If "no," your case will be assigned to the WESTERN DIVISION.  Enter "Western" in response to Question E, below. ↓
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<b>QUESTION E: Initial Division?</b>  Enter the initial division determined by Question A, B, C, or D above: →	INITIAL DIVISION IN CACD  WESTERN
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**QUESTION F: Northern Counties?**  
 Do 50% or more of plaintiffs or defendants in this district reside in Ventura, Santa Barbara, or San Luis Obispo counties?  Yes  No





**UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA  
CIVIL COVER SHEET**

**IX(a). IDENTICAL CASES:** Has this action been previously filed in this court?

NO  YES

If yes, list case number(s): \_\_\_\_\_

**IX(b). RELATED CASES:** Is this case related (as defined below) to any civil or criminal case(s) previously filed in this court?

NO  YES

If yes, list case number(s): \_\_\_\_\_

**Civil cases** are related when they (check all that apply):

- A. Arise from the same or a closely related transaction, happening, or event;
- B. Call for determination of the same or substantially related or similar questions of law and fact; or
- C. For other reasons would entail substantial duplication of labor if heard by different judges.

Note: That cases may involve the same patent, trademark, or copyright is not, in itself, sufficient to deem cases related.

**A civil forfeiture case and a criminal case** are related when they (check all that apply):

- A. Arise from the same or a closely related transaction, happening, or event;
- B. Call for determination of the same or substantially related or similar questions of law and fact; or
- C. Involve one or more defendants from the criminal case in common and would entail substantial duplication of labor if heard by different judges.

**X. SIGNATURE OF ATTORNEY**

**(OR SELF-REPRESENTED LITIGANT):** /s/ Tyler R Austin

**DATE:** October 19, 2021

**Notice to Counsel/Parties:** The submission of this Civil Cover Sheet is required by Local Rule 3-1. This Form CV-71 and the information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. For more detailed instructions, see separate instruction sheet (CV-071A).

Key to Statistical codes relating to Social Security Cases:

Nature of Suit Code	Abbreviation	Substantive Statement of Cause of Action
861	HIA	All claims for health insurance benefits (Medicare) under Title 18, Part A, of the Social Security Act, as amended. Also, include claims by hospitals, skilled nursing facilities, etc., for certification as providers of services under the program. (42 U.S.C. 1935FF(b))
862	BL	All claims for "Black Lung" benefits under Title 4, Part B, of the Federal Coal Mine Health and Safety Act of 1969. (30 U.S.C. 923)
863	DIWC	All claims filed by insured workers for disability insurance benefits under Title 2 of the Social Security Act, as amended; plus all claims filed for child's insurance benefits based on disability. (42 U.S.C. 405 (g))
863	DIWW	All claims filed for widows or widowers insurance benefits based on disability under Title 2 of the Social Security Act, as amended. (42 U.S.C. 405 (g))
864	SSID	All claims for supplemental security income payments based upon disability filed under Title 16 of the Social Security Act, as amended.
865	RSI	All claims for retirement (old age) and survivors benefits under Title 2 of the Social Security Act, as amended. (42 U.S.C. 405 (g))



# ClassAction.org

This complaint is part of ClassAction.org's searchable class action lawsuit database and can be found in this post: [Lawsuit Claims National General, Integon Unlawfully Deny Insurance Claims Based on Non-Disclosure of Household Members](#)

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