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CASE NO: A-21-829883-C  
Department 18

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**DISTRICT COURT**  
**CLARK COUNTY, NEVADA**

JOHN BAMFORTH, ALISE BAMFORTH,  
JESSICA ENAMORADO, CYNTHIA LIERA,  
individually and on behalf of all those similarly  
situated,

Case No.:  
Dept. No.:

Plaintiffs,

**COMPLAINT**

vs.

**REQUEST FOR BUSINESS  
COURT**

STATE FARM MUTUAL AUTOMOBILE  
INSURANCE COMPANY, DOES 1 through 10,  
Defendant.

**EXEMPT FROM  
ARBITRATION**

**Jury Trial Demanded**

Plaintiffs, John Bamforth, Alise Bamforth, Jessica Enamorado, and Cynthia Liera, by and  
through undersigned counsel and on behalf of themselves and all other similarly situated, hereby

**EGLET ADAMS**

1 submit this Class Action Complaint against Defendant, State Farm Mutual Automobile Insurance  
2 Company (hereinafter “State Farm”).

3  
4 **I. INTRODUCTION**

5 1. This action seeks class-wide relief for Defendant State Farm’s failure to provide and  
6 charge a fair and appropriate insurance premium and to provide premium reduction to its Nevada  
7 automobile insurance policyholders amid the COVID-19 pandemic.

8 2. Plaintiffs bring this action on behalf of themselves and on behalf of all Nevada residents  
9 who held automobile insurance policies through State Farm as of March 1, 2020, and who have  
10 thereafter continued to be State Farm automobile policyholders.

11 3. Plaintiffs and the class, along with everyone in this country, have faced substantial life  
12 changes since March 1, 2020 because of the COVID-19 pandemic, including reduced driving  
13 time and miles. The reduction of driving time and miles driven reduces the risk associated with  
14 insuring Plaintiffs and the class members’ vehicles. State Farm has not taken the appropriate  
15 action to reduce Plaintiffs and the class members’ premiums to accurately reflect the decreased  
16 risk.

17 **II. PARTIES**

18 4. Plaintiffs, John Bamforth and Alise Bamforth, are residents of the State of Nevada, and  
19 current automobile insurance policyholders of State Farm.

20 5. Plaintiff, Jessica Enamorado, is a resident of the State of Nevada, and a current automobile  
21 insurance policyholder of State Farm.

22 6. Plaintiff, Cynthia Liera, is a resident of the State of Nevada, and a current automobile  
23 insurance policyholder of State Farm.

24 7. Defendant, State Farm Mutual Automobile Company is an Illinois based mutual company,  
25 with offices at 1 State Farm Plaza, Bloomington, Illinois, 61710.

26 8. Defendants DOE 1 through 10 are insurance companies that fall within the State Farm  
27 umbrella that provide policies of automobile insurance to Nevada residents.

28



1 **IV. FACTUAL BACKGROUND APPLICABLE TO THE PROPOSED CLASS**

2 15. State Farm is a prolific underwriter of automobile insurance in Nevada.

3 16. On information and belief, and throughout the entirety of the COVID-19 pandemic, State  
4 Farm has enjoyed a substantial share of the auto insurance market in Nevada. At all times relevant  
5 to this case, State Farm has derived substantial revenues and profits from the sale of automobile  
6 insurance to Nevada residents, including Plaintiffs, and all others similarly situated.

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8 **V. GENERAL ALLEGATIONS**

9 17. Coronavirus disease 2019 (“COVID-19”), is a novel, virus-borne, and potentially deadly  
10 illness that impacts various systems within the body of those infected with the disease. Since its  
11 emergence in late 2019, it has spread rapidly across the globe, reaching pandemic levels. On  
12 January 20, 2020, it was declared a “public health emergency of international concerns” by the  
13 World Health Organization. A week later, the U.S. Secretary of Health and Human Services  
14 declared the virus a public health emergency in the United States.

15 18. COVID-19 is highly contagious and appears capable of spreading exponentially through  
16 transmission by persons who are symptomatic, asymptomatic, or pre-symptomatic.

17 19. As of the date of this complaint, the U.S. Centers for Disease Control and Prevention has  
18 recorded over 28 million cases of COVID-19, and over 497,000 COVID-related deaths in the  
19 U.S. alone.

20 20. The State of Nevada suffered over 4,700 COVID-related deaths as of the date of this  
21 Complaint.<sup>1</sup>

22 21. On March 12, 2020, Nevada Governor Steve Sisolak issued the Declaration of Emergency  
23 for COVID-19.<sup>2</sup> In that declaration, the Governor “determined that the State of Nevada is  
24 experiencing events that require a coordinated response for the health and safety of the public.”<sup>3</sup>

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27 <sup>1</sup> <https://nvhealthresponse.nv.gov/> (last visited February 22, 2021).

<sup>2</sup> [https://gov.nv.gov/News/Emergency\\_Orders/2020/2020-03-12 - COVID-19 Declaration of Emergency/](https://gov.nv.gov/News/Emergency_Orders/2020/2020-03-12_-_COVID-19_Declaration_of_Emergency/) (last  
28 visited January 28, 2021).

<sup>3</sup> *Id.*

1 The declaration “will remain in effect until the Chief Medical Officer notifies the Governor that  
 2 the health event has been abated and the Governor issues an order terminating the emergency.”<sup>4</sup>

3 22. On March 15, 2020, Governor Sisolak issued the COVID-19 Declaration of Emergency  
 4 Directive 001 closing all “public, community, and private K-12 schools in the state” until the  
 5 Order is rescinded.<sup>5</sup>

6 23. On March 19, 2020, Governor Sisolak issued COVID-19 Declaration of Emergency  
 7 Directive 002 closing all in-person gaming establishments.<sup>6</sup>

8 24. On March 20, 2020, Governor Sisolak issued COVID-19 Declaration of Emergency  
 9 Directive 003 closing all “non-essential businesses” that promote social gatherings and prolonged  
 10 interactions between individuals where risk of transmission is high.<sup>7</sup> These businesses included  
 11 recreation centers, clubhouses, nightclubs, movie theaters, massage parlors, adult entertainment  
 12 establishments, brothels, live entertainment venues, gyms and studios, and aesthetic services (i.e.  
 13 beauty shops, tanning salons, wax salons).<sup>8</sup>

14 25. On March 24, 2020, Governor Sisolak issued COVID-19 Declaration of Emergency  
 15 Directive 007, which stated that “[t]he Nevada general public shall not gather in groups of ten or  
 16 more in any indoor or outdoor area,” and directing local governments to limit the general public’s  
 17 use of “recreational equipment, including, without limitation, playground equipment, basketball  
 18 courts, volleyball courts, baseball fields, beaches, or football fields, in a manner that causes the  
 19 congregation of ten or more persons.”<sup>9</sup>

20 26. On November 10, 2020, Governor Sisolak once again urged all Nevadans to restrict their  
 21 activities outside the home to only those essential activities for two (2) weeks, dubbed “Stay at  
 22 Home 2.0.” This request is a direct result of the rising numbers of COVID-19 infections within  
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24 <sup>4</sup> *Id.*

25 <sup>5</sup> [https://gov.nv.gov/News/Emergency\\_Orders/2020/2020-03-15 - COVID-19 Declaration of Emergency Directive 001/](https://gov.nv.gov/News/Emergency_Orders/2020/2020-03-15_-_COVID-19_Declaration_of_Emergency_Directive_001/) (last visited January 28, 2021).

26 <sup>6</sup> [https://gov.nv.gov/News/Emergency\\_Orders/2020/2020-03-18 - COVID-19 Declaration of Emergency Directive 002/](https://gov.nv.gov/News/Emergency_Orders/2020/2020-03-18_-_COVID-19_Declaration_of_Emergency_Directive_002/) (last visited January 28, 2021).

27 <sup>7</sup> [https://gov.nv.gov/News/Emergency\\_Orders/2020/2020-03-20 - COVID-19 Declaration of Emergency Directive 003 \(Attachments\)/](https://gov.nv.gov/News/Emergency_Orders/2020/2020-03-20_-_COVID-19_Declaration_of_Emergency_Directive_003_(Attachments)/) (last visited January 28, 2021).

28 <sup>8</sup> *Id.*

<sup>9</sup> [https://gov.nv.gov/News/Emergency\\_Orders/2020/2020-03-24 - COVID-19 Declaration of Emergency Directive 007 \(Attachments\)/](https://gov.nv.gov/News/Emergency_Orders/2020/2020-03-24_-_COVID-19_Declaration_of_Emergency_Directive_007_(Attachments)/) (last visited January 28, 2021).

1 the State. The Governor warned that, if the infection numbers do not decrease, the State will likely  
2 be subject to another mandatory shut-down.

3 27. The practical effect of the COVID-19 crisis and the State of Nevada’s response thereto  
4 has been to dramatically reduce the vehicle traffic on Nevada’s roads. With non-essential  
5 businesses and schools closed as well as the limitation on the size of gatherings and people forced  
6 to remain at home due to the public health crisis, Nevada residents have been driving less  
7 frequently and shorter distances.

8 28. Vehicular traffic throughout Nevada has been greatly reduced during the COVID-19  
9 pandemic. For example, in April 2020, the vehicular traffic at the Nevada-California border was  
10 sixty-six percent (66%) lower than it was in April 2019. Traffic volumes decreased between sixty  
11 percent (60%) to seventy percent (70%) compared to the same time periods in 2019. These  
12 reductions have been statewide.

13 29. With fewer people driving fewer miles, there are fewer automobile accidents and,  
14 therefore, fewer automobile insurance claims. The COVID-19 pandemic has thus led to a  
15 dramatic reduction in automobile insurance claims by Nevada residents. For example, there was  
16 a sixty percent (60%) reduction in automobile accidents in Southern Nevada in March 2020 from  
17 the prior year. This significant drop in driving, collisions, and automobile insurance claims during  
18 the pandemic will almost certainly continue for the foreseeable future, and for as long as the  
19 COVID-19 crisis continues.

20 30. In particular, the COVID-19 pandemic has led to a dramatic reduction in the number of  
21 Nevada automobile insurance claims that have been submitted and will be submitted to State  
22 Farm.

23 31. Insurance companies have provided varying forms of premium refunds or credits during  
24 the COVID-19 pandemic ranging from nothing at all to the 35% CHUBB provided to its insureds.  
25 These refunds or credits are arbitrary and inconsistent in amount and duration. In fact, the only  
26 consistency among the refunds or credits is that they are arbitrary and capricious, as well as  
27 insufficient to provide fair, actual, and meaningful relief to the insureds as illustrated in the  
28 following table:

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<b>Insurance Company</b>	<b>Quantity</b>	<b>Duration</b>
Acuity	\$50 - \$100 one time refund (amount depends on the number of insured vehicles)	One time
Allstate	15% discount	2 months (April & May 2020)
Farmers Insurance	25% credit for 1 month and 15% for 1 month	2 months (April & May 2020)
Gieco	15% credit	For an entire policy, but ONLY upon insurance renewal between April 8 – Oct 7, 2020.
Liberty Mutual	15% refund	2 months (April & May 2020)
Nationwide	\$50	One time
Progressive	20% credit	2 months (April & May 2020)
State Farm	25% credit	3 months (March – May 2020)
Travelers	15% credit	3 months (April - June 2020)
USAA	20% credit for 3 months then reduced to a 10% credit for 2 months	5 months (March – July 2020)

Though each insurance provider represented to its insureds that it understood the challenges individuals are facing during the COVID-19 pandemic and presented that fair refunds and credits were being issued, yet, none of them offered any meaningful relief that actually reflects the reduction in cars on the road and reduced driving during the pandemic.

**A. State Farm’s Wrongdoing**

32. Personal insurance rates are set to cover future expected claims and expenses. Auto insurers, including the Defendant State Farm, develop such rates by extrapolating from recent historical experience with premium payments, claims submitted, claim settlement expenses, and non-claim selling and administrative expenses, and then projecting future claims and costs from that data.

1 33. Under Nevada law, Defendant State Farm may not charge an insurance premium that is  
2 excessive.

3 34. A premium is based, in part, upon what Defendant State Farm anticipates for future claims  
4 payments both in severity and frequency, and premiums are calculated based upon the extent of  
5 the insured's normal driving routine.

6 35. As a result of COVID-19 restrictions, the frequency and severity of claims incurred by  
7 State Farm were dramatically reduced and significantly less than what was anticipated when the  
8 premium was charged.

9 36. As a result of COVID-19 restrictions, State Farm insureds drove significantly less than  
10 what was anticipated by State Farm when it developed the premium. As an example, Plaintiffs'  
11 driving time and mileage has been, and continues to be, greatly reduced because of the COVID-  
12 19 pandemic.

13 37. As a result of COVID-19 restrictions, State Farm has and will incur significantly less  
14 expenses in claim payments than what was anticipated when the premium was charged.

15 38. As a result of COVID-19 restrictions, State Farm has charged and collected an excessive  
16 premium to its insureds in the past and into the future.

17 39. State Farm is aware that it cannot charge an excessive premiums, and it has an affirmative  
18 duty under law to return any excessive premiums that was collected.

19 40. Many auto insurers have provided what the industry refers as "premium relief" to their  
20 policyholders, but the so-called "relief" is actually designed to allow insurers to retain excessive  
21 premiums in light of COVID-19 restrictions.

22 41. State Farm knows that the premiums it charged and collected following COVID-19  
23 restrictions is grossly excessive.

24 42. Specifically, in statements posted on its website (and still shown on the website as of the  
25 filing of this Complaint), State Farm provided its policyholders with an average credit of 25% of  
26 their premiums for a period of March 20 through May 31st, 2020. State Farm also claims to be  
27 reducing rates by an average of 12.7% for Nevada policyholders for current customers only at the  
28 time of policy renewal as well as for new and returning customers. This reduction is not only



1 insufficient concerning the actual reduction in driving time and distance, but it only applies at the  
2 time of renewal or at sign up.

3 43. This premium credit is inadequate such that even if the credit is applied to Plaintiffs and  
4 those similarly situated, the Plaintiffs have paid and will continue to pay a grossly excessive  
5 premium.

6 44. This premium credit is designed to allow State Farm to retain a grossly excessive premium  
7 and to continue charging a grossly excessive premium into the future.

8 45. State Farm has and will continue to receive a windfall as a result of, the COVID-19  
9 pandemic.

10 46. State Farm, has continued to retain the excessive premium Plaintiffs, and those similarly  
11 situated, have paid and will pay into the future.

12 **VI. CLASS ACTION ALLEGATIONS**

13 47. Plaintiffs bring this action on behalf of themselves and all others similarly situated, as  
14 representatives of the following proposed class: All Nevada residents who were automobile  
15 insurance policyholders of Defendant State Farm as of March 1, 2020, and who have thereafter  
16 continued to be State Farm automobile insurance policyholders.

17 48. Numerosity: Upon information and belief, Plaintiffs allege that the total number of Class  
18 members is dispersed across the State of Nevada. Consequently, joinder of the individual Class  
19 members would be impracticable. While the exact number of Class members is unknown to  
20 Plaintiffs at this time, and can only be ascertained through appropriate discovery, Plaintiffs  
21 believe that there are thousands of members in the proposed Class such that the disposition of the  
22 individual claims of the respective Class members through this Class action will benefit both the  
23 parties and this Court, and will facilitate judicial economy.

24 49. Ascertainability: The Class is ascertainable because, on information and belief, each Class  
25 member who holds a policy for automobile insurance through State Farm that was active as of  
26 March 1, 2020, is kept and stored in State Farm’s electronic database and records.  
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1        50. Typicality: Plaintiffs’ claims are typical of the members of the Class. The claims of  
 2 Plaintiffs and the members of the Class are based on the same legal theories and arise from the  
 3 same conduct. As such, the claims of the Plaintiffs and the Class rise and fall together and are  
 4 typical of one another.

5        51. Common Questions of Fact and Law Predominate: Judicial determination of the common  
 6 legal and factual issues essential to this case would be far more efficient and economical as a class  
 7 action than in piecemeal individual determinations. There is no plain, speedy, or adequate remedy  
 8 other than by maintenance of this lawsuit as a class action because individual actions for premium  
 9 refunds are relatively small, making it economically infeasible for Class Members to pursue  
 10 remedies individually. The prosecution of separate actions by individual Members of the Class,  
 11 even if theoretically possible, would create a risk of inconsistent or varying adjudications with  
 12 respect to the individual Class Members against Defendants and would establish incompatible  
 13 standards of conduct for the Defendants. There are several questions of law or fact common to  
 14 all Class members including, but not limited to:

- 15            a. Whether each member of the proposed class was a policyholder under an existing
- 16                    State Farm automobile insurance policy as of March 1, 2020, and has since
- 17                    continued to be a State Farm policyholder;
- 18            b. Whether State Farm has charged each member an excessive premium following
- 19                    COVID-19 restrictions;
- 20            c. Whether each member of the proposed class has been offered or provided with the
- 21                    inadequate premium reduction described in paragraph 42 above;
- 22            d. Whether the fairness and/or reasonableness of State Farm’s program of premium
- 23                    reduction, as described above, is governed by the terms of its automobile policies
- 24                    and Nevada law;
- 25            e. Whether State Farm’s offer or provision of premium reduction, as described in
- 26                    paragraph 42 above, constitutes an unfair or deceptive act or practice;
- 27            f. Whether State Farm implemented its offer of premium reduction, as described in
- 28                    paragraph 42 above, with the expectation that others would rely upon any

- 1 misrepresentation, or any concealment or omission of material fact, subsumed
- 2 within such offer;
- 3 g. Whether State Farm’s program of premium reduction, as described in paragraph
- 4 42 above, is unfair and/or unreasonable;
- 5 h. Whether State Farm’s program of premium reduction, as described in paragraph
- 6 42 above, constitutes a breach of the implied covenant of good faith and fair
- 7 dealing contained in each of the company’s Nevada automobile insurance policies;
- 8 i. Whether State Farm’s program of premium reduction, as described in paragraph
- 9 42 above, results in a violation of Nevada law; and
- 10 j. Whether State Farm owes greater COVID-related premium reduction to its
- 11 Nevada automobile insurance policyholders.

12 52. Adequacy of Representation: Plaintiffs are adequate representatives of the Class because

13 their interests do not conflict with the interests of the other members of the Class. Plaintiffs will

14 fairly, adequately, and vigorously represent and protect the interests of the members of the Class

15 and have no interests antagonistic to the members of the Class. Plaintiffs have retained counsel

16 who are competent and experienced in the prosecution of complex consumer class action

17 litigation. Plaintiffs’ attorneys have the resources, expertise, and experience to prosecute this

18 action, and do not have knowledge of any conflicts among the members of Plaintiffs’ Class, or

19 any conflicts between the Class and Plaintiffs’ attorneys.

20 53. Superiority: The class action is superior to other available methods for the fair and

21 efficient adjudication of this controversy because: (a) the prosecution of a multitude of separate

22 actions would be inefficient and wasteful of judicial resources; (b) the members of the Class may

23 be scattered throughout Nevada and are not likely to be able to enforce their rights unless this

24 action is maintained as a class action; (c) the issues raised can be more fairly and efficiently

25 resolved in the context of a single action rather than through piecemeal litigation in the context

26 of separate actions; (d) the resolution of litigation in a single forum will avoid the danger and

27 resultant confusion of possible inconsistent determinations; (e) the prosecution of separate actions

28 would create the risk of inconsistent or varying adjudications; (f) Defendants have acted and will

1 act on grounds applicable to all Class members; (g) individual Class members’ premium refund  
2 claims are relatively small and the expense and burden of individual litigation makes it impossible  
3 for Class members to individually redress the wrongs done to them; and (h) questions of law  
4 and/or fact common to the Class, especially on issues of liability, predominate over any individual  
5 question.

6 **VII. CAUSES OF ACTION**

7 **FIRST CAUSE OF ACTION**

8 **Declaratory Relief Pursuant to NRS 30.040**

9  
10 54. Plaintiffs, on behalf of themselves and all others similarly situated, repeat and incorporate  
11 by reference the allegations set forth in paragraphs 1 through 53 above.

12 55. State Farm has charged an excessive premium following COVID-19 restrictions.

13 56. State Farm’s program of premium reduction, as described in paragraph 42 above,  
14 continues to unlawfully deprive its Nevada automobile insurance policyholders of the full and  
15 fair COVID-related premium relief to which they are entitled.

16 57. State Farm’s program of premium reduction, as described in paragraph 42 above, is  
17 designed to secure for State Farm, and has secured and will continue to secure for State Farm, an  
18 unfair windfall at the expense of State Farm’s Nevada automobile insurance policyholders.

19 58. State Farm’s program of premium reduction, as described in paragraph 42 above, is  
20 unlawful.

21 59. An actual controversy of a justiciable nature exists regarding the contractual relationship  
22 between the Plaintiffs, on behalf of themselves and all others similarly situated, and State Farm,  
23 concerning the parties’ rights and obligations with respect to State Farm’s program of COVID-  
24 related premium reduction.

25 60. The controversy is of sufficient immediacy to justify the entry of a declaratory judgment  
26 regarding the contracts between the Plaintiffs, and all others similarly situated, and State Farm.

27 61. An actual controversy of a justiciable nature exists regarding State Farm’s statutory  
28 responsibilities to provide automobile insurance and to not charge excessive premiums.

1 62. An award of declaratory relief by this Court will terminate some or all the existing  
2 controversy between the parties.

3 **SECOND CAUSE OF ACTION**

4 **Breach of Contract**

5 63. Plaintiffs, on behalf of themselves, and all others similarly situated, repeat and incorporate  
6 by reference the allegations set forth in paragraphs 1 through 62 above.

7 64. Plaintiffs, and Class members, each entered an insurance contract for automobile  
8 insurance with State Farm.

9 65. The insurance contract is governed by Nevada law.

10 66. State Farm agreed to charge a premium that was reasonable in relation to the risk and was  
11 not excessive.

12 67. State Farm tells its insureds that the premiums it charges are determined by many factors  
13 including how the covered car is used and where the car is driven, in order to provide the insureds  
14 with the best combination of price, service, and protection.

15 68. State Farm is aware of that the effects of the COVID-19 pandemic and restrictions  
16 materially changed the nature of the risk being insured because there was material decrease in the  
17 claims frequency and severity.

18 69. In light of the change of the risk being insured, the pre-COVID-19 premium is excessive  
19 in relation to the COVID-19 risks.

20 70. Plaintiffs, and those similarly situated, paid an excessive premium when they paid the  
21 premium State Farm charged.

22 71. State Farm breached the insurance contract when it collected an excessive premium from  
23 Plaintiffs and those similarly situated.

24 72. As a direct result of State Farm's breach of contract, Plaintiffs on behalf of themselves  
25 and all others similarly situated, have been damaged as they paid an excessive premium and will  
26 continue to pay an excessive premium into the future.

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1 73. As a direct and proximate result of the foregoing and as a result of the breach by  
2 Defendants, Plaintiffs, and those similarly situated, have sustained damages in an amount  
3 exceeding Fifteen Thousand Dollars (\$15,000.00).

4 74. It has been necessary for Plaintiffs to retain the services of counsel to represent him, and  
5 those similarly situation, to bring this action, and Plaintiffs are entitled to recovery of attorneys'  
6 fees and costs incurred herein.

7 **THIRD CAUSE OF ACTION**

8 **Breach of the Covenant of Good Faith and Fair Dealing (Contract)**

9 75. Plaintiffs, on behalf of themselves and all others similarly situated, repeat and incorporate  
10 by reference the allegations set forth in paragraphs 1 through 74 above.

11 76. Each existing automobile insurance policy State Farm has issued in the State of Nevada  
12 contains an implied covenant of good faith and fair dealing.

13 77. State Farm owes a duty of good faith and fair dealing to Plaintiffs and those similarly  
14 situated to act in a manner that is faithful to the purpose and spirit of the contract.

15 78. In order to fulfill the purpose and spirit of the contract, State Farm must charge a premium  
16 that is reasonable in relation to the risk insured against and is not excessive.

17 79. State Farm is aware that the effects of the COVID-19 pandemic and restrictions materially  
18 changed the nature of the risk being insured because there was a material decrease in the claims  
19 frequency and severity.

20 80. In light of the change of the risk being insured, the pre-COVID-19 premium is excessive  
21 in relation to the COVID-19 risks.

22 81. Plaintiffs, and those similarly situated, paid an excessive premium when they paid the  
23 premium State Farm charged.

24 82. State Farm has deliberately contravened the intention and spirit of the contract by  
25 collecting and retaining the excessive premium.

26 83. State Farm breached its duty of good faith and fair dealing when it collected and collected  
27 and retained an excessive premium from Plaintiffs and those similarly situated.

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1 84. As a direct result of State Farm’s breach of contract, Plaintiffs on behalf of themselves  
2 and all others similarly situated, have been damaged as they paid an excessive premium and will  
3 continue to do so into the future.

4 85. As a direct and proximate result of the foregoing and as a result of the breach by  
5 Defendants, Plaintiffs, and those similarly situated, have sustained damages in an amount  
6 exceeding Fifteen Thousand Dollars (\$15,000.00).

7 86. It has been necessary for Plaintiffs to retain the services of counsel to represent them, and  
8 those similarly situation, to bring this action, and Plaintiffs are entitled to recovery of attorneys’  
9 fees and costs incurred herein.

10  
11 **FOURTH CAUSE OF ACTION**

12 **Bad Faith**

13 87. Plaintiffs, on behalf of themselves and all others similarly situated, repeat and incorporate  
14 by reference the allegations set forth in paragraphs 1 through 86 above.

15 88. State Farm owes a duty of good faith and fair dealing to Plaintiffs, and all others similarly  
16 situated parties, and the duty is imposed by law.

17 89. As part of its duty of good faith and fair dealing, State Farm has a fiduciary-like  
18 relationship to Plaintiffs and all other similarly situated parties.

19 90. Under the law, Plaintiffs, and all those similarly situated parties, have the right to expect  
20 trust and confidence in the integrity and fidelity of State Farm.

21 91. State Farm contracted with Plaintiffs, and all those similarly situated, to provide  
22 protection, peace of mind, and security as it relates to their automobile insurance.

23 92. As set forth herein, State Farm, as part of its fiduciary-like duties, cannot charge or retain  
24 an excessive premium.

25 93. State Farm has breached its duty of good faith and fair dealing by charging and collecting  
26 from Plaintiffs, and all those similarly situated, an excessive premium.

27 94. State Farm has acted unreasonably with knowledge there is no unreasonable basis for its  
28 conduct.

1 95. State Farm represented to its customers, including Plaintiffs, and all those similarly  
2 situated, that it was taking measures to reduce costs to Plaintiffs, and all those similarly situated,  
3 during the COVID-19 crisis.

4 96. State Farm misrepresented the nature of any relief it may offer to its customers, including  
5 Plaintiffs, and all those similarly situated.

6 97. State Farm provided its policyholders with an average credit of 25% of their premiums  
7 for a period of March 20 through May31st, 2020. State Farm also claims to be reducing rates by  
8 an average of 12.7% for Nevada policyholders for current customers only at the time of policy  
9 renewal as well as for new and returning customers. This reduction is not only insufficient  
10 concerning the actual reduction in driving time and distance, but it only applies at the time of  
11 renewal or at sign up.

12 98. This limited premium credit and minimal reduction only at the time of renewal or sign-up  
13 is insufficient, particularly where driving in the State has declined between forty percent (40%)  
14 and seventy percent (70%) depending on the week.

15 99. In so doing, State Farm is taking advantage of its insureds, including Plaintiffs and those  
16 similarly situated, by continuing to collect and charge excessive premiums despite the greatly  
17 reduced risk and enjoying substantial profits as a result.

18 100. State Farm has acted in bad faith in breaching the fiduciary responsibility it owes  
19 to Plaintiffs and all those similarly situated.

20 101. State Farm's actions were not keeping with the relationship of trust and confidence  
21 with its insureds, including Plaintiffs and all those similarly situated.

22 102. As a direct and proximate result of the foregoing and as a result of the breach by  
23 Defendants, Plaintiffs, and those similarly situated, have sustained damages as they have paid and  
24 will continue to pay into the future in an amount exceeding Fifteen Thousand Dollars  
25 (\$15,000.00).

26 103. Defendant made intentional misrepresentations to its insureds and acted with  
27 conscious disregard to the rights of its insureds thus entitling Plaintiffs, and all those similarly  
28 situated, to an award of punitive damages.



1 104. It has been necessary for Plaintiffs to retain the services of counsel to represent  
 2 them, and those similarly situation, to bring this action, and Plaintiffs are entitled to recovery of  
 3 attorneys’ fees and costs incurred herein.

4 **FIFTH CAUSE OF ACTION**

5 **Violation of Nevada’s Deceptive Trade Practices Act (NRS §§ 598.0903 to 598.0999)**

6 105. Plaintiffs, on behalf of themselves and all others similarly situated, repeat, and  
 7 incorporate by reference the allegations set forth in paragraphs 1 through 104 above.

8 106. At all times relevant herein, Defendants violated the Nevada Deceptive Trade  
 9 Practices Act, §§ 598.0903 to 598.0999, by representing to its automobile insurance  
 10 policyholders that they will receive premium rates based upon risk factors, offering an inadequate  
 11 premium reduction in light of the COVID-19 pandemic, and failing to take into consideration the  
 12 ongoing decrease in risk due to the decreased volume of vehicle traffic on all roads throughout  
 13 Nevada.

14 107. Defendant made false or misleading statements of fact concerning the price and  
 15 cost of its automobile insurance policies, as set forth above, in violation of NRS 598.0915(13)  
 16 and otherwise knowingly made false representations in its communications with automobile  
 17 insurance policyholders regarding the COVID-19 premium reduction described above.

18 108. In making its offer of premium reduction, State Farm represented to its Nevada  
 19 automobile insurance policyholders (implicitly, if not explicitly) that such offer is fair and  
 20 reasonable, when in fact it is neither.

21 109. In making its offer of premium reduction, State Farm concealed from its Nevada  
 22 automobile insurance policyholders, or omitted to share with such policyholders, the inadequacy  
 23 and unfairness of that offer. State Farm engaged in such conduct with the intent that others rely  
 24 upon such concealment and/or omission.

25 110. In making its offer of premium reduction, State Farm expressly represented to its  
 26 Nevada automobile insurance policyholders that it “works hard to offer you [the customer] the  
 27 best combination of price, service, and protection.” This was a misrepresentation of State Farm’s  
 28 intent as the premium credit was only provided once even though Governor Sisolak’s March 12,

1 2020 emergency declaration has been ongoing for 11 months, and may continue for several  
2 months.

3 111. As a direct result of State Farm’s conduct, Plaintiffs on behalf of themselves and  
4 all others similarly situated, have been deprived of fair and adequate premiums as well as COVID-  
5 related premium reduction to which they are fairly and lawfully entitled.

6 112. As a direct and proximate result of the foregoing and as a result of the breach by  
7 Defendants, Plaintiffs, and those similarly situated, have sustained damages in an amount  
8 exceeding Fifteen Thousand Dollars (\$15,000.00).

9 113. Defendant made intentional misrepresentations to its insureds and acted with  
10 conscious disregard to the rights of its insureds thus entitling Plaintiffs, and all those similarly  
11 situated, to an award of punitive damages.

12 114. It has been necessary for Plaintiffs to retain the services of counsel to represent  
13 them, and those similarly situation, to bring this action, and Plaintiffs are entitled to recovery of  
14 attorneys’ fees and costs incurred herein.

15 **VIII. PRAYER FOR RELIEF**

16 **WHEREFORE**, Plaintiffs, and those similarly situated, pray for relief and damages as  
17 follows, that the court:

- 18 A. Determine this action is a proper class action and appoint Plaintiffs’ representatives
- 19 of the Class under Rule 23 of the Nevada Rules of Civil Procedure;
- 20 B. Declare the parties’ rights, duties, status, or other legal relations;
- 21 C. Enter the judicial declarations sought by this complaint;
- 22 D. Award compensatory damages to Plaintiffs, and all others similarly situated, for State
- 23 Farm’s wrongful conduct detailed above;
- 24 E. Award punitive damages;
- 25 F. Award to Plaintiffs, and all others similarly situated, all attorneys’ fees and costs; and

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G. Award such other and further relief as this Court deems just and appropriate.  
DATED this 23rd day of February, 2021.

**EGLET ADAMS**

**MATTHEW L. SHARP, LTD.**



*/s/ Matthew L. Sharp*

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