

Federal Court Dismisses Insurer's Claims Seeking Tens of Millions of Dollars in Damages

A federal judge has dismissed claims brought by a South Carolina insurance company against Texas-based insurance agency Highpoint Risk Services and its owner, Charles David Wood Jr. , according to a report published by **Androvett Legal Media & Marketing**.

That lawsuit sought more than \$40 million in damages for an alleged shortfall in reinsurance collateral and claims relating to the issuance of various workers' compensation policies. Last week, Senior U.S. District Judge Cameron McGowan Currie ruled that Companion Property and Casualty Insurance Co. was contractually barred from recovering any alleged shortfall from Wood, the report says.

In dismissing other claims against Highpoint and Wood for alleged breach of fiduciary duty and alleged violations of the South Carolina Unfair Trade Practices Act, the court found that "there is no evidence Highpoint (or Wood) owed or breached" a fiduciary duty to Companion in connection with the issuance of Companion's workers' compensation policies.

"The court has dismissed the core of the case brought by Companion," said **Michael Gardner**, name partner at Dallas-based law firm Gardner Haas and counsel for Wood and the defendant companies. "An insurer cannot avoid the terms of its own policies and can't complain when its agreements are given their clear and natural effect."

Companion, purchased by Enstar Group in 2015, now operates as Sussex Insurance Company and remains headquartered in

Columbia, S.C.