

IN THE DISTRICT COURT IN AND FOR TULSA COUNTY STATE OF OKLAHOMA DISTRICT COURT KORMONDY ENTERPRISES, INC. f/k/a NATIONAL STEAK PROCESSORS, OCT - 52018INC., DON NEWBERRY, Court Clerk STATE OF OKLA. TULSA COUNTY Plaintiff, v. JURY TRIAL DEMANDED RANDALL WAYNE PIERCE, MARSH USA, INC., and GREAT AMERICAN INSURANCE COMPANY Defendants. JEFFERSON D. SELLERS

PETITION

COMES NOW, the Plaintiff, Kormondy Enterprises, Inc. f/k/a National Steak Processors, Inc., by and through its counsel of record, Andrew C. Jayne, of the law firm BAUM GLASS JAYNE & CARWILE, PLLC, and for its Petition against the above-named Defendants states and avers as follows:

- 1. Kormondy Enterprises, Inc. is a California corporation, which was formerly National Steak Processors, Inc. ("Kormondy Enterprises").
 - 2. Randall Wayne Pierce ("Pierce") is a resident of Tulsa County, State of Oklahoma.
- 3. March USA, Inc. ("Marsh") is a foreign corporation which conducts insurance business within the State of Oklahoma.
- 4. Great American Insurance Company is a foreign insurance company which conducts the business of insurance in the State of Oklahoma.
- 5. The facts giving rise to the instant lawsuit occurred within the confines of Tulsa County, State of Oklahoma.

- 6. This Honorable Court has jurisdiction over the parties, and it is the proper venue for the maintenance of this action.
- 7. Pierce was Kormondy Enterprises' insurance agent/broker at all relevant times in this Petition. Pierce was employed by Marsh.
- 8. Kormondy Enterprises operated a beef and poultry marinating and cooking facility specializing in providing custom menu ideas for casual dining and quick casual restaurant chains.
- 9. In July of 2016, authorized agents of Kormondy Enterprises met with Pierce and others at Marsh regarding the renewal of Kormondy Enterprises' insurance products.
- 10. During the course of this meeting, the issue of product recall coverage was specifically discussed.
- 11. Pierce specifically advised Kormondy Enterprises that their ten million dollar umbrella insurance policy with Great American Insurance Company would cover all risks associated with any product recall of Kormondy Enterprises' products.
- 12. Kormondy Enterprises relied on these representations in determining what insurance products to purchase at this time.
- 13. Kormondy Enterprises purchased the ten million umbrella insurance policy with Great American Insurance Company based on Pierce's representations.
- 14. Thereafter, Kormondy Enterprises was sued in multiple lawsuits for damages relating to a product recall.
- 15. Kormondy Enterprises timely submitted a claim to Great American Insurance Company, as the potential damages in the lawsuits exceed underlying liability limits such that umbrella coverage would be triggered.

- 16. On December 6, 2017, Great American Insurance Company denied Kormondy Enterprises' claim based on an exclusion for product recall in the umbrella policy.
- 17. If there is a judicial determination that the Great American Insurance Company policy of insurance provides umbrella coverage for the losses at issue herein, Great American Insurance Company is in breach of contract.
- 18. However, to the extent that Great American Insurance Company is correct and there is no coverage under the umbrella policy, Pierce was negligent and/or in breach of contract based on his specific representations to Kormondy Enterprises. Pierce further breached his fiduciary duties to Kormondy Enterprises.
- 19. Further, Marsh, as Pierce's employer, is responsible for the negligence and/or breach of contract, and breach of fiduciary duty of Pierce by virtue of the doctrine of *respondeat superior*.
- 20. The conduct of Pierce and Marsh was sufficiently reckless in this case to justify an award of punitive damages to deter them, and other similarly situated agents/brokers from so acting in the future.
- 21. Kormondy Enterprises claims all damages available under Oklahoma law from all Defendants in the case.

WHEREFORE, premises considered, Kormondy Enterprises hereby requests judgment in its favor in excess of \$75,000.00 against all Defendants; punitive damages against Defendants Pierce and Marsh; along with its attorneys' fees, costs, and any further relief the court and jury deem just and equitable.

Respectfully submitted,

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