SEARCY
DENNEY
SCAROLA
BARNHART
& SHIPLEY P.A.
Attorneys at Law

OF COUNSEL

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PALM BEACH LAKES BLVD.
WEST PALM BEACH
FLORIDA 33409

800-780-8607
(561) 686-6300
FAX: (561) 478-0754

P.O. DRAWER 3626
WEST PALM BEACH
FLORIDA 33402

$3.3 Million Jury Verdict In Commercial Litigation

On September 14, 1998, a Palm Beach County jury awarded Mr. Phillip Carnes and his wife NanC $3,271,725.61 in a case against Great Harbour Cay Realty and Investment Company, Limited, a Bahamian Corporation. The Carnes were represented by attorney Jack Scarola.

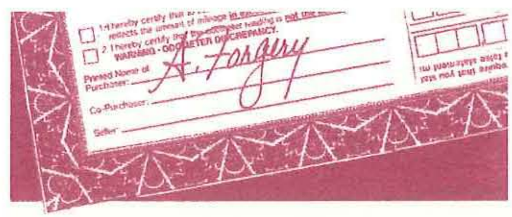
Mr. Carnes was hired in 1989 as the CEO of a group of entities involved in developing a major real estate project in the Berry Islands in the Bahamas. The project focused primarily on Great Harbour Cay and other surrounding islands. The development activities had begun a decade earlier and included a large marina, airport, hotel, golf course, private residences and attendant infrastructure such as roads, power plants and water treatment plants.

Mr. Carnes had a previous ownership interest in the project, but lost that interest when the group ran out of development capital in the 1970s.

In 1989, Mr. T. D. Fender took over the project and sought out Mr. Carnes to assist him due to his extensive prior experience with the project.

Although Mr. Carnes began working on the project in 1989, it was not until ***Continued on Page Three***

Forged Auto Title Exposes True Liability



College student A and college student B were classmates at a college in South Florida in the Fall of 1996. College student B was the son of the owner of an automobile dealership located out of the state of Florida.

During the latter part of October 1996, college student B drove his 1984 automobile from South Florida to his home out-of-state. While at home, he left his automobile and drove back to South Florida in a different automobile owned by an out-of-state automobile dealership. This different automobile was operated with dealer plates and registered to the non-Florida automobile dealership. College student B paid no money for this automobile, signed no financing agreement, and made no trade-in.

On October 30, 1996, college student A and college student B were traveling on a major avenue in South Florida. While college student B was driving the different vehicle, he lost control of the car, engaged in a clockwise rotation and slid the driver's side of the vehicle into three pilings holding up a sign. College students A and B were badly injured as a result of the accident. College student B died later in November 1996 while college student A, who was not wearing a seat belt, sustained a serious brain injury.

College student A developed a hemorrhage in the right basal ganglion and sustained a shearing injury from the left rear to the right front of his brain. He was treated in a local hospital and eventually transferred to a hospital out-of-state where he remained for an extended period of time. In the out-of-state medical center, he underwent extensive rehabilitation treatment and eventually was admitted to one of the ***Continued on Page Two***

High Speed Chase Leads To Devastating Injuries

PBC Sheriff's Office Settles for $2.5 Million

In the early morning hours of July 3, 1990, Elizabeth Menendez was returning from an evening out with friends. She was twenty-two years old, beautiful and pursuing her dream of becoming a psychologist. Elizabeth was en route to her home when her automobile was struck by a traffic offender fleeing deputies of the Palm Beach County Sheriff's Office. The crash was the result of a high-speed chase which had begun over a simple traffic offense, running a red light. Contrary to Sheriff's office policy, which prohibited high speed chases for such offenses, as many as four deputies had pursued the traffic offender for several minutes at speeds up to 100 miles per hour. When the high speed chase approached the interchange of Southern Boulevard and I-95, Elizabeth was preparing to turn left onto the southbound ramp of I-95. As she turned, the fleeing traffic offender's vehicle struck Elizabeth's vehicle--with deputies in hot pursuit--at a speed estimated to exceed eighty-five miles per hour.

Elizabeth's injuries were devastating, including a transected pancreas, rupture of the diaphragm, collapsed lung, fractured eye socket, broken back and broken arm. According to the trauma surgeon, this was the most acute trauma patient he had ever seen--who lived. Miraculously, after life-saving surgery and multiple procedures, Elizabeth recovered from many of her physical injuries. Unfortunately, she also suffered a closed-head injury in the accident. Doctors discovered a traumatically-induced aneurysm as the source of constant headaches and eventually performed brain surgery. The impact, however, left Elizabeth with permanent brain injuries, including serious cognitive deficits and problems with her short-term memory.

Elizabeth, although able to perform many activities of daily living, is entirely dependent on others. In particular, her short-term memory deficits cause her to require around-the-clock supervision.

Jack Scarola and David Sales represented Elizabeth at the trial against the Sheriff's Office. The Plaintiff's case focused on the recognized danger associated with high speed chases, the violations of Sheriff's Office policy, and multiple inconsistencies in the testimony of the pursuing deputies and their superiors. The Sheriff's attorneys focused on the actions of the traffic offender and urged the jury to pin most or all of the blame on him. During jury deliberations, the parties agreed to a settlement of $2,500,000. Sovereign immunity prevents recovery of judgments in excess of $100,000 against agencies of State government. As part of the settlement, the Sheriff agreed to cooperate with efforts to recover the balance of the settlement through a claims bill. A claims bill is an act of the Legislature appropriating funds for the payment of claims which exceed the $100,000 statutory limit. Efforts are already underway to secure these funds for Elizabeth's future care. ■

$3.3 Million Commercial Litigation Verdict... *(Cont. from Page One)*

July 1991 that the business relationship was formalized in a written contract. Under the terms of the contract, Mr. Carnes was authorized to hire his wife, NanC, as a secretarial assistant and was promised a compensation package which included cash severance benefits and a 10% interest in the value of the corporation overseeing the further development activities. After accomplishing many of the major tasks for which he was responsible, Mr. Carnes was terminated in September 1992. Upon termination, Mr. Fender refused to pay Mr. Carnes. Jack Scarola undertook Mr. Carnes' representation shortly after his termination and continued to represent him for the following six years, both in prosecuting his claims against his former employer and defending a variety of related actions brought in an effort to justify his termination. A jury rendered a verdict representing 10% of the value of the corporation, as well as the severance benefits due the Carnes. Additionally, the Carnes are entitled to be reimbursed for attorneys fees and costs in amounts yet to be determined by the court. ■

DID YOU KNOW...

A poll from The Wall Street Journal and NBC News released on September 18th also shows growing public support for managed care accountability. 71% favor a patients' rights bill that guarantees the right to sue HMOs for improper care but that might result in higher premiums compared to 20% who favor a patients' rights bill that doesn't permit the right to sue but might hold down fees. ■