



(l-r) Liqiang (Leo) Wang, SDSBS guest; ABC News Jonathan Karl; Forum Club past-president Manuel Farach; and SDSBS attorney Mariano Garcia.

SDSBS attorney Greg Barnhart and family recently hosted Liqiang (Leo) Wang, deputy director of China’s Ministry of Public Security, American and Oceania Affairs Division, during his visit to the United States. Mr. Wang works as a liaison between China’s MPS and numerous U. S. law enforcement agencies including FBI, ICE, DOJ, DEA, CBP, and USCG. He has facilitated bilateral and multilateral joint investigations between China and other countries. As a part of the International Academy of Trial Lawyers’ China Program, Mr. Wang’s visit was one of many private efforts on the part of IATL’s Program to help develop the legal, economic, and financial infrastructures of China. SDSBS hosted Mr. Wang at a luncheon held by the Forum Club of the Palm Beaches. The event’s guest speaker was ABC News Chief White House Correspondent, Jonathan Karl. ♦

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Insurance company insolvency leaves garbage company uninsured in truck/bicyclist fatal accident

On April 6, 2011, Adam Theall, a 38-year-old father of three young children, was out for an early afternoon bicycle ride on South Ocean Boulevard, a popular ride for cyclists not far from Adam’s house in Delray Beach, Florida. As Adam rode his bicycle south on the road, a dump truck driver was looking for a place to make a U-turn since he had missed his intended route and was trying to get his truck back on the proper road. As he turned the truck to the right, he failed to see Adam approaching on the shoulder of the road and he drove right into Adam’s path. Adam was struck by the truck and then run over – he was killed almost instantly. In that moment, Adam’s three children, ranging in age from five to 11 years, were left fatherless.

The driver of the truck was the owner of a small garbage and recycling business. His company had previously carried an insurance policy that would have applied to the fatal crash. However, its insurance company, Aequicap, had been ordered into liquidation for insolvency and mismanagement in March 2011. All of the company’s policies were to expire at 12:01 a.m. on April 6, 2011 – just 13 hours before Adam’s accident. With no insurance available for charges to be filed against the garbage/recycling business, Adam’s family was left wondering if there would ever be any accountability for Adam’s death.

As is typically the case with commercial insurance, the owner of the garbage/recycling company had used an insurance broker to obtain coverage. In March 2011, the broker received notice that Aequicap Insurance was insolvent and that all of its insureds would need new coverage by April 6, 2011. The broker emailed the garbage company owner, notifying him that it fully intended to place new insurance coverage for him.

Over the next three weeks, several emails were exchanged between the broker and the insured garbage company, none of which indicated that the broker was having difficulty placing new insurance policies, or noting the impending possibility that new coverage would not be found.

Adam’s family asked SDSBS attorneys **Chris Searcy, Greg Barnhart, and Donald Ward** to help them find accountability for the circumstances that had caused their husband/father’s death.

During discovery, the attorneys found that the broker had over 200 policies – like that of the garbage company – that were to expire because of Aequicap’s insolvency. With only three weeks left to cover the broker’s obligations to Aequicap’s insured companies, the broker elected to ignore the crisis for the customers and not hire additional staff to process the dramatically increased workload for replacement of policies. SDSBS attorneys were able to assist the garbage/recycling company’s lawyers in a third-party action against the broker for breach of fiduciary duty for failing to place new insurance coverage.

Ultimately, on the eve of trial, the case was settled for a confidential amount. ♦



Insurance broker’s failure to replace client’s coverage is charged as breach of fiduciary duty.

Adam Theall with his young daughter.