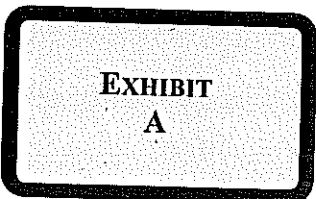


TIMELINE OF STATE FARM'S FRAUDULENT SCHEME

DATE	EVENT	SOURCE	EXHIBIT
Sept 20, 2005	SF adjuster Cody Perry and Kerri Riggsby "scope" the McIntosh loss writing in log, "Do not have wind claim, will request for same or to handle both claims. A general condition of flooding existed due to tidal [sic] flow from hurricane Katrina." Perry later testifies that he does not know the meaning of the policy exclusion for "tidal flow."	Claim file log entry, 0179-0180 HOEC; Perry Depo. at 90	1 2
Sept 28, 2005	SF sends unsigned letter to McIntoshes noting that the cause of loss is uncertain: "The damage to your property may have been caused by wind and water. We are continuing to investigate that portion of your loss caused by wind."	Am. Complaint ¶26, Exh. B.	3
Sept 29, 2005	Despite not knowing the cause of the loss, Perry makes log entry that he met with his team manager and John Conser. He requests authority to pay flood policy limits, which Conser separately approves. Even though this decision is made, State Farm seeks the opinion of an engineer on the cause of the loss. "Ph has issues on wind vs. water. Requested engineer on companion claim." ¹	Claim file log entry, 0178-HOEC; Perry Depo. at 158-159; 173-75;	4 2
Oct 7, 2005	Brian Ford, an engineer for Forensic Analysis and Engineering Corporation, performs field investigation of the McIntosh home.	McIntosh-0007185-7194	5
Oct 9, 2005	Meanwhile, State Farm begins to experience issues with certain engineers who consistently cannot rule out wind damage to homes. Haddock writes to Larry Rhett asking for "list of all engineer assignments sent to Dreux Seghers. We will be sending a blanket cancellation of assignments for all claims assigned to him."	Haddock D0000111	6
Oct 12, 2005	Forensic issues first McIntosh report – "interior damage of the structure is primarily the result of the failure of the windows, walls and doors due to wind." The report is signed by CEO, Robert K. Koohan and Brian Ford, "Senior Principal Structural Engineer."	McIntosh-0007185-7194 Perry Depo at 193-94; 213	5 2
Oct 12, 2005	State Farm steps up its efforts to cancel engineering reports across the board. David Haddock of State Farm receives an email from State Farm employee Rhett Taylor saying "I FAXED THE DUPLICATES FOR THE ENGINEERS TO CANCEL."	HaddockD 0000344	7

¹ Perry later testifies that he did not document value of the flood loss on contents, but the contents limits on the flood policy were paid anyway.



DATE	EVENT	SOURCE	EXHIBIT
Oct 13, 2005	Randy Down of Forensic writes to his Forensic colleagues: "Urgent – Request from State Farm." "I just received a call from Steve Haddock at State Farm regarding an issue with our reports. They are asking that we do not apply a percentage of cause in our reports (such as: 25% attributable to wind and 75% attributable to rising or flood water.) They want us to state what we believe to have been the <i>predominant</i> (use that term) cause of the damage (wind or water). This effects two reports that have been submitted: 530-0005 and 530-0006 that he was aware of. We will need to resubmit those two reports. ..."	Docs produced by Forensic (no bates number)	8
Oct 13, 2005	Adam Sammis of Forensic responds to Down, cc: Forbes, Kochan and Williams "Re: Urgent – Request from State Farm." "I am printing this and giving it to both of them. I will review the 9 reports that went out and all reports that go out today."	Docs produced by Forensic (no bates number)	9
	Days after Forensic issued the Oct. 12 report, Lecky King, State Farm's Flood Coordinator, receives the report, and writes a sticky note on it that reads "Put in Wind file – DO NOT Pay Bill DO NOT discuss" (emphasis in original). The instruction is to her assistant Lisa Wachter.	King Depo. in McIntosh at 38-43; Wachter Depo. at 38-43 (adverse inferences); Expert opinion of R. Foley that handwriting matches King's	10 11 12
Oct or Nov, 2005	Around this time, given the issues arising with the various engineering firms State Farm has hired, SF holds a training session in the Gulfport office for all claims personnel to train them on using the Haag Engineering report as the "bible" to deny claims.	K. Rigsby Depo. in Marion at 178-80	13
	In the same time frame, Kerri Rigsby finds the Oct. 12 report with sticky-note attached, makes a copy and presents it to Lecky King. Rigsby recognizes the handwriting as King's. Rigsby tells King she doesn't think she (Rigsby) was supposed to see this report. King agrees and says it is one of the many she has to send back. The report is never seen again in State Farm's file. Lecky King consistently now takes the 5 th at every deposition for every question. [cite to most recent K. Rigsby depo? do we need to ? or is it covered by the 430-431 cite?]	K. Rigsby Depo at 430-431; K. Rigsby Depo, Vol. II 11/20/07 at 513-522; K. Rigsby Depo in Marion Day Two at 143; King depo.	14 15 16
Oct 17, 2005	King calls and then sends a confirming email to Nelly Williams, copying State Farm personnel including her section manager Dave Randel, and fires Forensic for all inspections. "This will confirm our conversation of today regarding your firm and the work you are presently handling.... As we discussed we would ask that all inspections be	HaddockDD0000144 LeKing00004116; also from Forensic (bates illegible);	17

DATE	EVENT	SOURCE	EXHIBIT
	halted at this time and a list be sent to me of any addresses that have not been inspected to date. ..." Randel admits that he was involved in the decision to fire them, and knew that King was going to make that call.	Randel Depo. in Guice at 297-298	18
Oct 17, 2005	Adam Sammis of Forensic emails Forensic CEO Kochan and Williams the "synopsis of the conversation I [had] with Lecky King" that day. "Lecky called and stated that due to 2 of our reports she was pulling all engineering work from our firm. When I asked why, she said because our engineers obviously could not tell the difference between wind and water and our reports were wrong. ... She then said they were not accepting our opinion and would now have to send another firm out to get it right and eat the cost of sending 2 firms out. I then put her on with Brian who explained his position on the report. (Emphasis added)	Docs produced by Forensic (no bates), printed 4/11/2007,	19
Oct 17, 2005	Forensic's Kochan emails Ford (Forensic): "I appreciate the fact that you stood up to [King] for your opinion and apparently had visual and public corroborative evidence to support your opinion. Given the significance of her stated decision to not allow us to perform any more work for her group and maybe for State Farm, I need as much background information that you might be able to document relating specifically to your conversation with her ... I would like as close to a I said, she said dialogue as you can recall."	Docs produced by Forensic (no bates), printed 4/11/2007	20
Oct 17, 2005	Ford emails Kochan with a transcript showing his best recollection of King's call to him about the McIntosh report: "Lecky: This can't be wind! Look at photograph 3, look at the shingle damage. It just was not wind. This is a cabana house. Brian: The report says wind and wind debris. The front of the house was damaged by wind driven debris. ... Eyewitnesses reported that the house next to the insured say a house come apart from wind and the debris blew into the insured's house taking out the windows and doors. Lecky: You weren't there and didn't see that. You have to base your opinion on what you see. Brian: You requested eye witness reports. ..." (Emphasis added)	Docs produced by Forensic (no bates), printed 4/11/2007	20
Oct 17, 2005	Forensic Kochan emails his employees Ford, Down, and Williams: "I spoke with Lecky King late this afternoon and convinced her to give us another opportunity to examine the home and now by using published wind and water level data that was in yesterday's paper, revisit the loss and provide either the same opinion based on more detailed and technical data or to provide an amended opinion based on the newest data available. ... We have to earn their respect back by reworking the two contested reports. ... [A]s a company practice I am suggesting that eye witness statements are no longer to be relied upon in the development of our opinions. ... By the way Ms. King also stated that in her opinion it is	Docs produced by Forensic (no bates), printed 4/11/2007,	21

DATE	EVENT	SOURCE	EXHIBIT
	OK to say that we can not tell the specific initial causation of the loss. That is fine in theory, but in practice, if we don't provide them definitive answers to these hard questions then they will find someone who will which obviously doesn't benefit any of us." (Emphasis added)		
Oct 17, 2005	Kochan emails Down and Williams: "I managed to get us back on the roles with SF but we need to have a very frank conversation with the boys down south to be sure that we don't fall in the same trap. Between us, the client feels that Brian relied solely on eye witness testimonies of others who were trapped in their attics and panic stricken at the time during the height of the storm. Very biased opinions of folks who may or may not have actually seen a significant portion of the storm's effects on the subject house. ... I am calling for a conference call at 9:30 our time with everyone to go over this matter in detail and make sure we all playing under the same guidelines. Lastly, I will mention to you that Lecky told me that she is experiencing this same concern with other engineering companies who are using engineers who happen to live in the area. In her words ... They are all too emotionally involved and are all working very hard to find justifications to call it wind damage when the facts only show water induced damage." (Emphasis added)	Docs produced by Forensic (no bates),	22
Oct 18, 2005	Down, a Forensic engineer, replies to Kochan and copies Williams: "This is very good news. But I have a serious concern about the ethics of the whole matter. Lecky ... seems to be a very highly qualified adjuster to be making engineering conclusions that are more accurate than ours. I really question the ethics of someone who wants to fire us simply because our conclusions don't match hers. If SF is going to tell us what to put in our reports then ... In my opinion we need to find a more rational and ethical client to be dealing with. ... They already contradicted themselves regarding the reports - with Mark (?) wanting percentages and his counterpart calling a few days later and telling us to resubmit two reports that had shown percentages and saying that SF absolutely does <i>not</i> want them shown because they would have to settle for the portion that was reportedly caused by wind. I see now why other firms are bowing out. Does this Lecky person understand that eye witness accounts are standardly included in a forensic report, when available? To ignore them would seem to be ignoring potential facts in the investigation that could hurt our credibility later." (Emphasis added)	Docs produced by Forensic (no bates), printed 4/11/2007	22
Oct 18, 2005	Forensic has a conference call with all engineers working on the coast and instructs them to no longer use percentages in their reports to distinguish between wind and water damage, but instead should use the word " predominant ." Engineers should not use eyewitness reports unless they were corroborated with the engineer's own opinions. Jack Kelly, a new engineer for Forensic who has not yet written his first Katrina report, asked	Kelly Depo. at 140-141, 191-194	23

DATE	EVENT	SOURCE	EXHIBIT
	about "the amount of detail we should go into from an engineering standpoint to try to evaluate losses. In other words was it our job to go and get the house plans. Look at it from a wind load standpoint. Assume the connection is there or what's shown, if at all. How much should we do of that type of work, which I would call engineering work, for lack of a better term. And Bob said that kind of detail analysis was outside of the scope of our work; so we wouldn't be doing that." (Emphasis added)		
Oct 18, 2005	Kochan emails King, confirming phone call whereby Forensic agrees to redo McIntosh and Pepperman reports, promising to: "revisit these two loss investigations and to do what ever was feasible to alleviate your particular concerns. In have directed that all future loss investigations be better supported by photographic evidence as wells as having our conclusions further substantiated by recently published water height and wind data that you and I discussed. " (Emphasis added)	Docs from Forensic (no bates)	24
Oct 18, 2005	Kelly visits McIntosh site and writes first draft of the new report on the McIntosh property, and dates it October 18. (It is later changed to the 20 th to reflect the date upon which he signs the final version.) This was Kelly's very first site visit for Forensic. Notably, his report does not mention the prior inspection or prior report.	Kelly Depo. at 163; 195' Amended Complaint, Exhibit D.	25 26
Oct 19, 2005	Down emails Kochan cc: Williams, Subject: "Manny's Report 530-0023-05-25." Bob, FYI – Nellie has 3 of Manny's reports that need to be look at. I have looked at the first of those (530-0023-05-25) and there are a number of comments entered that were made by the insured; such that it appears that the insured or eye witness accounts are being heavily weighted, which, it is my understanding from our telecom and discussions, this is what we don't want to do because it has raised a big concern with SF. " (Emphasis added)	Docs from Forensic (no bates)	27
Oct 20, 2005	Forensic issues a second report on the McIntosh property – alleges new field investigation on Oct 18 where McIntosh was present, concludes: "damage to first floor walls and floors appears to be primarily caused by rising water from the storm surge and waves." The report is signed by John B. Kelly, "Principal Structural Engineer" and Robert K. Kochan, "Principal Technical Consultant"	Am. Complaint ¶37, Exh. D.	26
Oct 21, 2005	King writes email to adjusters that "when we get two copies of any Engineer Report, please give one to the CR (claims representative) for the file copy. Pay the bill and then return the 2 nd copy to me for safe keeping. These will be kept in a locked file drawer and either Rick or I will have the key. " (Emphasis added)	HaddockD 0000251	28

DATE	EVENT	SOURCE	EXHIBIT
Oct 29, 2005	Haddock sends to King email with spreadsheet attached showing "Engineering Roster - Cat PL", showing more than 100 cancelled assignments and 16 reports marked as "returned."	LeKing 00003111-3355	29
Oct 30, 2005	SF writes letter to McIntoshes denying remainder of claim since all remaining damage "was a result of flood surface water, waves and/or tidal water." Rigby later testifies that she wrongfully characterize the vast majority of the McIntoshes' home as flood damage while knowing that the damage was wind damage. "Once the report came in and showed that it was wind and I still allowed Cody to pay it as water, yes."	Am. Complaint ¶41 [DE 194]; Rigby Depo. at 238.	30 31
Nov 4, 2005	Haddock writes email instructing that "If you receive an engineer's report they should be given to Lecky King. It is very important that these be given to her immediately. ... She will review and give directions to the log before returning the report to you to be put in the file. If the insured requests a copy, see Lecky." (Emphasis added)	HaddockD 00000250	32
Nov 16, 2005	Sandy Schmidt writes Mark Wilcox, instructing him that John Dagenhart had decided that "we do not want the engineers to send their reports via email, for privacy and security reasons."	HaddockD 0000091	33
Jan 13, 2006	Wachter writes email that "under NO circumstances should claim reps communicate to an insured that we have requested clarification or peer review of a report. This ... will cause issues if ... the findings of the original report change."	HaddockD 0000035	34
Jan 27, 2006	Kelly (Forensic) emails Williams (copying Down and Kochan), saying that he just spoke to SF's Haddock re: Pepperman (Case 0012), which also has a note on the file "to the effect of do not discuss and a question of an addendum from FAEC. ... They still have this report in hand and it has not been distributed to anyone according to David. I must also say that he has not asked us to change our report but just take a look at it, as this conclusion is completely opposite to those conclusion reached by 7 other firms who have done work for them in the area. ... We may want to consider redoing the report as it has not been distributed as yet."	Mullins-457, NWilliams 004281	35
Feb 1-6, 2006	Kelly emails Kochan, Down, Williams, and Forbes, "Revised Report for Job 0012." "I spoke with David Haddock of SF to tell him that we would like to submit a revised report on this job, based on additional information that we have now that we did not have at the time the report was written. This included the Weather Data, Inc. report supplied to us by SF. ... Since the report he is holding has not been seen outside of SF, he is mailing	Docs produced by Forensic (no Bates number)	36

DATE	EVENT	SOURCE	EXHIBIT
	that original back to me and the new report will replace it." Five days later, Kelly emails Williams, "Saturday I received the original report back from SF. I'll proceed with the one under my name today." On Feb 6, Kelly again emails Williams: "I placed the draft for the replacement report on the ftp site. I've pulled the pictures from the file you e-mailed me for this job. I'll fax you the background boilerplate." (Emphasis added)		
Feb 1, 2006	Randy Down of Forensic emails Williams, subject: "Jack." "Had a good conversation with Jack this morning regarding one of Manny's reports that had claimed wind damage versus water despite much of the evidence indicating water was the primary cause. Apparently, SF had raised an issue concerning our findings. We are using the "our" of our standard disclaimer at the end of the report, along with the updated weather data that we received later, to justify our changing the report findings. I suggested that approach and Jack was fin with it. Hopefully there are not too many more of these types of reports lurking out there. I recall Manny producing about ten. Hopefully some of those had a more supportable conclusion."	Docs produced by Forensic (no bates number)	37
Feb 10, 2006	Kelly emails Williams, subject: "Invoice for Job 0012." "This is a report we redid. SF sent me back the original that was submitted by Manny and Brian, which was signed by them as a final report. The issue was that they had concluded wind and I concluded predominantly water. While I did not specifically address any additional compensation from SF, in the other two reports of similar problem, we just corrected the report without any additional fees." (Emphasis added)	Docs produced by Forensic (no bates number)	38