

**IN THE DISTRICT COURT OF CLEVELAND COUNTY
STATE OF OKLAHOMA**

FILED
DISTRICT COURT

STATE OF OKLAHOMA, *ex. rel.* GENTNER)
DRUMMOND, OKLAHOMA ATTORNEY)
GENERAL,)

CLEVELAND COUNTY, OKLAHOMA

October 19, 2026 10:32 AM

MARILYN WILLIAMS, COURT CLERK

Case Number CJ-2026-1066

Plaintiff,)

v.)

Case No. CJ-2026-1066

STATE FARM FIRE AND CASUALTY)
COMPANY,)

Defendant.)

**STATE FARM FIRE AND CASUALTY COMPANY'S ANSWER TO
STATE OF OKLAHOMA'S PETITION**

Defendant State Farm and Casualty Company ("State Farm"), by and through its counsel,
files this Answer to the Attorney General's Petition.

I. NATURE OF ACTION

1. State Farm denies the allegations in Paragraph 1 of the Petition.
2. State Farm denies the allegations in Paragraph 2 of the Petition.
3. Paragraph 3 is a summary of the Attorney General's causes of action, to which no response is required. To the extent a response is required, State Farm denies any express or implied allegations in Paragraph 3.

II. PARTIES

4. State Farm admits the allegations in Paragraph 4 of the Petition.
5. Paragraph 5 states a legal conclusion and does not require a response. To the extent that a response is required, State Farm denies the allegations in Paragraph 5.
6. Paragraph 6 states a legal conclusion and does not require a response. To the extent that a response is required, State Farm denies the allegations in Paragraph 6.

7. State Farm denies the allegations contained in Paragraph 7.

8. State Farm lacks sufficient information to admit or deny the mental impressions or motives of the Attorney General, as well as all other allegations in Paragraph 8, and therefore denies the same.

9. Paragraph 9 states a legal conclusion and does not require a response. To the extent a response is required, State Farm denies the allegations in Paragraph 9.

III. JURISDICTION, VENUE, AUTHORITY, AND PUBLIC INTEREST

10. Paragraph 10 states a legal conclusion and does not require a response. To the extent that a response is required, State Farm denies Paragraph 10.

11. Paragraph 11 states a legal conclusion and does not require a response. To the extent that a response is required, State Farm denies Paragraph 11.

12. Paragraph 12 states a legal conclusion and does not require a response. To the extent that a response is required, State Farm denies Paragraph 12.

13. Paragraph 13 states a legal conclusion and does not require a response. To the extent that a response is required, State Farm denies Paragraph 13.

14. State Farm denies the allegations in Paragraph 14 of the Petition.

IV. FACTUAL ALLEGATIONS

A. Background: Hail Storms and State Farm's Concern About Roof Claim

15. The allegations in Paragraph 15 are vague and ambiguous. State Farm therefore lacks sufficient information to admit or deny the allegations therein and therefore denies the same.

16. The allegations in Paragraph 16 are vague and ambiguous. State Farm therefore lacks sufficient information to admit or deny the allegations therein and therefore denies the same.

17. State Farm denies the allegations in Paragraph 17 of the Petition.

18. State Farm denies the allegations in Paragraph 18 of the Petition.

B. The Hail Focus Initiative and Internal Claim-Handling Changes

19. State Farm denies the allegations in Paragraph 19 of the Petition.

20. State Farm denies the allegations in Paragraph 20 of the Petition.

21. State Farm denies the allegations in Paragraph 21 of the Petition.

22. State Farm denies the allegations in Paragraph 22 of the Petition.

23. State Farm denies the allegations in Paragraph 23 of the Petition.

24. State Farm denies the allegations in Paragraph 24 of the Petition.

25. State Farm denies the allegations in Paragraph 25 of the Petition.

26. State Farm denies the allegations in Paragraph 26 of the Petition.

C. Role of Captive Agents and Other Participants

27. Paragraph 27 calls for legal conclusions and does not require a response. To the extent that it does, State Farm denies the allegations in Paragraph 27 of the Petition.

28. The allegations in Paragraph 28 are broad, vague, and ambiguous and purport to pertain to an innumerable amount of interactions. State Farm therefore lacks sufficient information to admit or deny the allegations therein and therefore denies the same.

29. The allegations in Paragraph 29 are broad, vague, and ambiguous. State Farm therefore lacks sufficient information to admit or deny the allegations therein and therefore denies the same.

30. The allegations in Paragraph 30 are broad, vague, and ambiguous. State Farm therefore lacks sufficient information to admit or deny the allegations therein and therefore denies the same.

31. The allegations in Paragraph 31 are broad, vague, and ambiguous. State Farm therefore lacks sufficient information to admit or deny the allegations therein and therefore denies the same.

D. Misrepresentations and Deceptive Practices at Sale and Renewal

32. The allegations in Paragraph 32 are broad, vague, and ambiguous. State Farm therefore lacks sufficient information to admit or deny the allegations therein and therefore denies the same.

33. The allegations in Paragraph 33 are broad, vague, and ambiguous. State Farm therefore lacks sufficient information to admit or deny the allegations therein and therefore denies the same.

34. The allegations in Paragraph 34 are broad, vague, and ambiguous. State Farm therefore lacks sufficient information to admit or deny the allegations therein and therefore denies the same.

35. The allegations in Paragraph 35 are broad, vague, and ambiguous. State Farm therefore lacks sufficient information to admit or deny the allegations therein and therefore denies the same.

36. Paragraph 36 states a legal conclusion and does not require a response. To the extent that a response is required, State Farm denies Paragraph 36.

E. Fraudulent Claim Denials and Underpayments

37. State Farm denies the allegations in Paragraph 37 of the Petition; additionally, these allegations are vague and ambiguous.

38. State Farm denies the allegations in Paragraph 38 of the Petition.

39. State Farm denies the allegations in Paragraph 39 of the Petition.

F. The Enterprise

40. State Farm denies the allegations in Paragraph 40 of the Petition.

41. State Farm denies the allegations in Paragraph 41 of the Petition.

42. State Farm denies the allegations in Paragraph 42 of the Petition.

G. Purpose of the Denial Enterprise

43. State Farm denies the allegations in Paragraph 43 of the Petition.

H. Means and Methods of the Denial Enterprise

44. State Farm denies the allegations in Paragraph 44 of the Petition.

45. State Farm denies the allegations in Paragraph 45 of the Petition.

46. State Farm denies the allegations in Paragraph 46 of the Petition.

47. State Farm denies the allegations in Paragraph 47 of the Petition.

I. The Racketeering Violation

48. State Farm denies the allegations in Paragraph 48 of the Petition.

49. State Farm denies the allegations in Paragraph 49 of the Petition, including its subparts.

50. State Farm denies the allegations in Paragraph 50 of the Petition.

J. Public Harm and Market Impact

51. State Farm denies the allegations in Paragraph 51 of the Petition.

52. State Farm denies the allegations in Paragraph 52 of the Petition.

53. State Farm denies the allegations in Paragraph 53 of the Petition.

54. Paragraph 54 outlines who the Attorney General purports to proceed on behalf of, therefore it does not require a response. To the extent that Paragraph 54 requires a response, State Farm denies that the Attorney General has the authority to proceed with this action.

55. Paragraph 55 states a legal conclusion and does not require a response. To the extent a response is required, State Farm denies Paragraph 55.

V. CAUSES OF ACTION

Count I: Violations of the Oklahoma Consumer Protection Act

56. Paragraph 56 of the Petition contains no allegations requiring a response. To the extent that a response is required, State Farm repeats and incorporates its responses to all prior paragraphs.

57. Paragraph 57 states a legal conclusion and does not require a response. To the extent that a response is required, State Farm denies Paragraph 57.

58. Paragraph 58 states a legal conclusion and does not require a response. To the extent that a response is required, State Farm denies Paragraph 58.

59. Paragraph 59 states a legal conclusion and does not require a response. To the extent that a response is required, State Farm denies Paragraph 59.

60. State Farm denies the allegations in Paragraph 60 of the Petition.

61. State Farm denies the allegations in Paragraph 61 of the Petition.

62. State Farm denies the allegations in Paragraph 62 of the Petition.

63. Paragraph 63 calls for a legal conclusion and does not require a response. To the extent that a response is required, State Farm denies Paragraph 63.

Count II: Violations of the Oklahoma Racketeer-Influenced and Corrupt Organization Act

64. Paragraph 64 of the Petition contains no allegations requiring a response. To the extent that a response is required, State Farm repeats and incorporates its responses to all prior paragraphs.

65. State Farm denies the allegations in Paragraph 65 of the Petition.

66. State Farm denies the allegations in Paragraph 66 of the Petition.

67. Paragraph 67 states a legal conclusion and does not require a response. To the extent that a response is required, State Farm denies Paragraph 67.

68. Paragraph 68 states a legal conclusion and does not require a response. To the extent that a response is required, State Farm denies Paragraph 68.

69. Paragraph 69 states a legal conclusion and does not require a response. To the extent that a response is required, State Farm denies Paragraph 69.

70. Paragraph 70 states a legal conclusion and does not require a response. To the extent that a response is required, State Farm denies Paragraph 70.

71. Paragraph 71 states a legal conclusion and does not require a response. To the extent that a response is required, State Farm denies Paragraph 71.

Count III: Civil Conspiracy

72. Paragraph 72 of the Petition contains no allegations requiring a response. To the extent that a response is required, State Farm repeats and incorporates its responses to all prior paragraphs.

73. State Farm denies the allegations in Paragraph 73 of the Petition.

74. State Farm denies the allegations in Paragraph 74 of the Petition.

75. State Farm denies the allegations in Paragraph 75 of the Petition.

76. Paragraph 76 states a legal conclusion and does not require a response. To the extent that a response is required, State Farm denies Paragraph 76.

Count V: Unjust Enrichment

77. Paragraph 77 of the Petition contains no allegations requiring a response. To the extent that a response is required, State Farm repeats and incorporates its responses to all prior paragraphs.

78. State Farm denies the allegations in Paragraph 78 of the Petition.

79. State Farm denies the allegations in Paragraph 79 of the Petition.

80. Paragraph 80 is a prayer for relief to which no response is required. To the extent a response is required, State Farm denies these allegations.

VI. PRAYER FOR RELIEF

The unnumbered “WHEREFORE” paragraph is a prayer for relief, to which no response is required. To the extent a response is required, State Farm denies the allegations within the paragraph and its subparts.

AFFIRMATIVE AND ADDITIONAL DEFENSES

State Farm sets forth below its affirmative defenses and other matters constituting avoidance. By doing so, State Farm does not assume the burden of proving any fact, issue, or element of a cause of action where such burden properly belongs to the Attorney General. Moreover, nothing stated herein is intended or shall be construed as an admission that any issue or subject matter is relevant to the Attorney General’s allegations. State Farm reserves the right to assert additional affirmative defenses at such time and such extent as warranted by discovery and the factual developments in this case.

1. The Attorney General lacks authority to bring any claims in this action.
2. The Attorney General’s use of private counsel on a contingency fee basis in this action violates State Farm’s due process rights.

3. This Court lacks subject matter jurisdiction over some or all of the claims.
4. The Petition fails to state a claim against State Farm upon which relief may be granted.
5. The Petition fails to plead its fraud claims with particularity.
6. The Oklahoma Consumer Protection Act doesn't apply to insurance activity.
7. The Attorney General fails to name indispensable parties.
8. Regarding the civil conspiracy claim, the Attorney General has failed to name any of the alleged co-conspirators. State Farm is unable to identify potential co-defendants and evaluate whether they should be joined pursuant to 12 O.S. § 2019. The Attorney General is required to identify indispensable parties pursuant to § 2019(C), and its failure to do so here is an independent ground for dismissal. *Id.* § 2019(B); 12 O.S. § 2012(7).
9. The Attorney General lacks standing to bring the common law claims set forth in the Petition.
10. The Attorney General didn't set forth an identifiable claimant. Therefore, there is no one to award restitution to. Accordingly, relief in the form of disgorgement and restitution is improper.
11. Some or all of the Attorney General's claims are barred by statute of limitations.
12. The Attorney General's claims are barred because State Farm has complied with applicable law.
13. An award of punitive damages under state law by a jury that: (1) is not provided with standards of sufficient clarity for determining the propriety of imposing punitive damages, or the appropriate amount of a punitive damages award; (2) is not adequately instructed on the limits of punitive damages which may be imposed to further the applicable principles of deterrence and

punishment; (3) is not expressly prohibited from awarding punitive damages, or determining the amount of an award of punitive damages, in whole or in part, on the basis of invidiously discriminatory characteristics, including the residence, wealth, and corporate status of State Farm; (4) is permitted to award punitive damages under a standard for determining liability that is vague and arbitrary and does not define with sufficient clarity the conduct or malicious intent to cause harm to the Attorney General that makes punitive damages permissible; and/or (5) is not subject to trial court or appellate court review for reasonableness and furtherance of legitimate purposes on the basis of objective standards, would violate State Farm's due process and equal protection rights guaranteed by the Fifth and/or Fourteenth Amendments to the United States Constitution, as well as Article 2, Section 7 of the Oklahoma Constitution.

14. Any imposition of punitive damages in this case in the absence of the procedural safeguards accorded to Defendant, subject to punishment in criminal proceedings, including a reasonable doubt standard of proof, would violate the Fourth, Fifth, and Sixth Amendments to the United States Constitution.

15. Any imposition of punitive damages in this case would violate the Excessive Fines Clause of the Oklahoma Constitution, Article II § 9.

16. Any imposition of punitive damages in this case based on out-of-state conduct, dissimilar conduct, company profits, and the aggregate financial status of State Farm would violate the Commerce Clause and the Privileges and Immunities Clause of the United States Constitution.

17. State Farm specifically incorporates by reference all standards of limitations regarding the determination and enforceability of punitive damage awards that arose in the decisions of *BMW of North America v. Gore*, 517 U.S. 559 (1996), *Cooper Indus., Inc. v.*

Leatherman Tool Group, Inc., 532 U.S. 424 (2001), and *State Farm Mut. Auto. Ins. Co. v. Campbell*, 538 U.S. 408 (2003).

18. Discovery being incomplete, State Farm reserves the right to amend this Answer if the propriety of additional defenses is established during discovery.

Respectfully submitted,



Lance E. Leffel, OBA No. 19511

David R. Herber, OBA No. 33527

GABLEGOTWALS

BOK Park Plaza

499 W. Sheridan Ave., Suite 2200

Oklahoma City, Oklahoma 73102-7101

Telephone: 405-235-5500

Facsimile: 405-235-2875

Email: llefel@gablelaw.com
dherber@gablelaw.com

CERTIFICATE OF SERVICE

I hereby certify that on this 19th day of October, 2026, I mailed a true and correct copy of the foregoing instrument via U.S. first class mail, postage prepaid, to the following counsel of record:

Gentner Drummond, OBA No. 16645
ATTORNEY GENERAL OF OKLAHOMA
Garry M. Gaskins, II, OBA No. 20212
Cameron R. Capps, OBA No. 32742
Christopher J. Campbell, OBA No. 33649
313 NE 21st Street
Oklahoma City, OK 73105
Phone: 405-522-1260
Fax: 405-521-3921
garry.gaskins@oag.ok.gov
cameron.capps@oag.ok.gov
chris.campbell@oag.ok.gov

Attorneys for Plaintiff

Reggie N. Whitten
Michael Burrage
Blake Sonne
Hannah Whitten
WHITTEN BURRAGE
512 North Broadway Ave., Suite 300
Oklahoma City, OK 73102
Phone: 405-516-7800
Fax: 405-516-7859
rwhitten@whittenburragelaw.com
mburrage@whittenburragelaw.com
bsonne@whittenburragelaw.com
hwhitten@whittenburragelaw.com

Attorneys for Plaintiff



David R. Herber