

ORIGINAL

MAR 20 2026
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Lucy H. Carrillo, Clerk dr

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IFP

IN THE UNITED STATES DISTRICT COURT OF HAWAII

THEODORE HAUGLAND, individually and as parent and guardian of AMORA
HAUGLAND, a minor, and KARINA HAUGLAND, a minor,
Plaintiffs,

CV 26 00134 JMS WRP

v.

ALLSTATE INDEMNITY COMPANY;
DOES 1-50, inclusive,
Defendants.

**COMPLAINT FOR BREACH OF CONTRACT,
INSURANCE BAD FAITH, AND UNFAIR CLAIMS
PRACTICES; DEMAND FOR JURY TRIAL**

I. JURISDICTION AND VENUE

- This Court has subject matter jurisdiction pursuant to **28 U.S.C. § 1332(a)** (diversity jurisdiction).
- Plaintiff THEODORE HAUGLAND is, and at all relevant times was, a citizen of the State of Hawai'i.
- Plaintiffs AMORA HAUGLAND and KARINA HAUGLAND are minor citizens of the State of Hawai'i.
- Defendant ALLSTATE INDEMNITY COMPANY is, upon information and belief, a corporation organized under the laws of a state other than Hawai'i, with its principal place of business outside Hawai'i, and is therefore a citizen of a different state for purposes of diversity jurisdiction.
- The amount in controversy exceeds **\$75,000**, exclusive of interest and costs, and in fact far exceeds that threshold.

- This Court has supplemental jurisdiction over related claims pursuant to **28 U.S.C. § 1367**.
- Venue is proper in this District pursuant to **28 U.S.C. § 1391(b)** because:
 - a. The events giving rise to this action occurred in Honolulu, Hawai'i;
 - b. Plaintiffs reside in this District;
 - c. Defendant conducts business within this District.

II. INTRODUCTION

- This is a first-party insurance bad faith action arising from Defendant ALLSTATE INDEMNITY COMPANY's failure to honor its contractual obligations under an automobile insurance policy providing Underinsured Motorist ("UIM") coverage.
- Plaintiffs were involved in a severe motor vehicle collision on December 14, 2025, caused by underinsured drivers.
- Plaintiffs made a claim for UIM benefits under their Allstate policy.
- Despite clear liability, catastrophic injuries, and extensive documentation, Allstate failed to reasonably evaluate and pay the claim.
- This case involves a minor child, **Amora Haugland**, who sustained a traumatic brain injury resulting in **post-traumatic epilepsy**, a permanent neurological condition.
- Allstate's conduct constitutes breach of contract, bad faith, and violations of Hawai'i's Unfair Claims Practices Act.

III. PARTIES

- Plaintiff THEODORE HAUGLAND is a resident of Aiea, Hawai'i.
- Plaintiff AMORA HAUGLAND is a minor appearing through her parent and guardian.
- Plaintiff KARINA HAUGLAND is a minor appearing through her parent and guardian.
- Defendant ALLSTATE INDEMNITY COMPANY is an insurer authorized to do business in Hawai'i.
- DOES 1–50 are unknown persons or entities involved in the claim handling.

IV. FACTUAL ALLEGATIONS

A. The Collision and Underinsured Drivers

- On December 14, 2025, Plaintiffs were involved in a rear-end collision in Honolulu, Hawai'i.
- The collision was caused by negligent third-party drivers whose insurance coverage was insufficient.
- Plaintiffs were not at fault.

B. Insurance Policy and UIM Coverage

- Plaintiffs maintained an insurance policy with Allstate.
- The policy included UIM coverage.
- Plaintiffs complied with all policy conditions.

C. Catastrophic Injury – Amora Haugland

- Amora sustained a traumatic brain injury.
- She developed seizures and was diagnosed with **post-traumatic epilepsy**.
- EEG testing confirmed epileptiform activity.
- The condition is permanent and requires lifelong care.

D. Damages

- Amora Haugland damages = \$104,334,696.76
- Karina Haugland damages = \$300,000.00
- Theodore Haugland damages = \$152,961.47

E. Allstate's Conduct

Allstate failed to:

1. Conduct a reasonable investigation
 2. Promptly evaluate the claim
 3. Attempt fair settlement
- Allstate delayed and undervalued the claim.
 - Allstate placed its financial interests above those of its insured.

V. CAUSES OF ACTION

COUNT I – BREACH OF CONTRACT

- Plaintiffs reallege all prior paragraphs.
- Allstate had a contractual duty to pay UIM benefits.
- Allstate breached that duty.

COUNT II – INSURANCE BAD FAITH

(Best Place v. Penn America; Enoka v. AIG)

- Hawai'i law recognizes bad faith as an independent tort.
- Allstate owed a duty of good faith.
- Allstate breached that duty.

COUNT III – UNFAIR CLAIMS PRACTICES

(HRS § 431:13-103)

Allstate engaged in unfair practices including:

- Failure to adopt reasonable standards
- Failure to affirm or deny coverage promptly
- Failure to settle where liability was clear

VI. DAMAGES

A. Amora Haugland

- Lifetime Neurological Care: \$3,223,585.66
- Seizure Management: \$4,739,583.33
- Medical Monitoring: \$1,579,861.11
- Pain and Suffering: \$56,875,000.00
- Emotional Distress: \$9,479,166.66
- Loss of Enjoyment of Life: \$28,437,500.00

B. Theodore Haugland

- Property damage: \$2,961.47
- Medical expenses: \$50,000.00
- Lost wages: \$75,000.00
- Pain and suffering: \$25,000,000.00

C. Karina Haugland

- PTSD and emotional trauma: \$50,000.00
- Anxiety and phobia-related treatment: \$50,000.00
- Behavioral and developmental impact: \$50,000.00
- Emotional distress: \$50,000.00
- Cognitive and academic impact: \$50,000.00
- Physical symptoms of trauma: \$50,000.00

VII. LIABILITY IS CLEAR

This is a rear-end chain-reaction collision.

Defendants:

- Failed to maintain safe following distance
- Failed to control their vehicles
- Failed to avoid a foreseeable collision

There is no viable liability defense.

VIII. MEDICAL AND EXPERT SUPPORT

Plaintiffs' claims are supported by:

- Neurologist opinion establishing **causation (TBI → epilepsy)**
- Life Care Plan projecting **lifelong treatment needs**
- Economic analysis supporting total damages

IX. INSURANCE AND BAD FAITH EXPOSURE

A. National Interstate

Defendants' liability insurer has been provided a **clear, time-limited policy limits demand**.

Failure to tender limits exposes its insureds to **catastrophic excess judgment**.

B. Allstate (UIM Carrier)

Allstate has a contractual obligation to pay UIM benefits.

Under Hawai'i law (*Best Place v. Penn America*; *Enoka v. AIG*), failure to:

- Reasonably evaluate
- Promptly settle
- Act in good faith

creates **independent tort liability for bad faith**.

C. Unfair Claims Practices

Evidence supports violations of **HRS § 431:13-103**, including:

- Failure to adopt reasonable claims standards
- Failure to timely affirm or deny coverage
- Failure to settle where liability is clear

These violations support **punitive damages exposure**.

X. DEMAND

Plaintiffs demand:

- **Immediate tender of full UIM policy limits (Allstate)**

XI. RULE 11 CERTIFICATION

Plaintiff certifies that:

- The claims are warranted by existing law or a nonfrivolous argument
- The factual contentions have evidentiary support or will likely have support after discovery
- The filing is not for any improper purpose

XII. CONCLUSION

This case presents **extraordinary risk** to Defendants and their insurers.

Defendants have been given a full and fair opportunity to resolve this matter within policy limits.

Failure to do so will result in continued litigation, including pursuit of:

- Excess judgment
- Bad faith claims
- Punitive damages

XIII. JURY DEMAND

Plaintiff demands trial by jury.

XIV. PRAYER FOR RELIEF

WHEREFORE, Plaintiffs request:

- Contract damages
- Compensatory damages
- Punitive damages
- Costs and attorneys' fees
- Such other relief as the Court deems just

Respectfully Submitted,

March 20, 2026
Date

/s/ Theodore Haugland
THEODORE HAUGLAND
Plaintiff, *Pro Se*
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Unit D2016
Aiea, HI 96701
United States
(202)933-3332
theodorehaugland@outlook.com

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS Theodore Haugland; Amora Haugland; Karina Haugland (b) County of Residence of First Listed Plaintiff <u>Honolulu County, HI</u> <i>(EXCEPT IN U.S. PLAINTIFF CASES)</i> (c) Attorneys <i>(Firm Name, Address, and Telephone Number)</i> Theodore Haugland (Pro Se) - (202)933-3332 99-009 Kalaloa St Ste D2016, Aiea, HI 96701-3498	DEFENDANTS Allstate Indemnity Company; John Does 1 - 50, inclusive County of Residence of First Listed Defendant _____ <i>(IN U.S. PLAINTIFF CASES ONLY)</i> NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED. Attorneys <i>(If Known)</i>
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II. BASIS OF JURISDICTION <i>(Place an "X" in One Box Only)</i> <input type="checkbox"/> 1 U.S. Government Plaintiff <input type="checkbox"/> 2 U.S. Government Defendant <input type="checkbox"/> 3 Federal Question <i>(U.S. Government Not a Party)</i> <input checked="" type="checkbox"/> 4 Diversity <i>(Indicate Citizenship of Parties in Item III)</i>	III. CITIZENSHIP OF PRINCIPAL PARTIES <i>(Place an "X" in One Box for Plaintiff and One Box for Defendant)</i> <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:33%;"></td> <td style="width:10%; text-align: center;">PTF</td> <td style="width:10%; text-align: center;">DEF</td> <td style="width:33%;"></td> <td style="width:10%; text-align: center;">PTF</td> <td style="width:10%; text-align: center;">DEF</td> </tr> <tr> <td>Citizen of This State</td> <td style="text-align: center;"><input checked="" type="checkbox"/> 1</td> <td style="text-align: center;"><input type="checkbox"/> 1</td> <td>Incorporated or Principal Place of Business In This State</td> <td style="text-align: center;"><input type="checkbox"/> 4</td> <td style="text-align: center;"><input type="checkbox"/> 4</td> </tr> <tr> <td>Citizen of Another State</td> <td style="text-align: center;"><input type="checkbox"/> 2</td> <td style="text-align: center;"><input type="checkbox"/> 2</td> <td>Incorporated and Principal Place of Business In Another State</td> <td style="text-align: center;"><input type="checkbox"/> 5</td> <td style="text-align: center;"><input checked="" type="checkbox"/> 5</td> </tr> <tr> <td>Citizen or Subject of a Foreign Country</td> <td style="text-align: center;"><input type="checkbox"/> 3</td> <td style="text-align: center;"><input type="checkbox"/> 3</td> <td>Foreign Nation</td> <td style="text-align: center;"><input type="checkbox"/> 6</td> <td style="text-align: center;"><input type="checkbox"/> 6</td> </tr> </table>		PTF	DEF		PTF	DEF	Citizen of This State	<input checked="" type="checkbox"/> 1	<input type="checkbox"/> 1	Incorporated or Principal Place of Business In This State	<input type="checkbox"/> 4	<input type="checkbox"/> 4	Citizen of Another State	<input type="checkbox"/> 2	<input type="checkbox"/> 2	Incorporated and Principal Place of Business In Another State	<input type="checkbox"/> 5	<input checked="" type="checkbox"/> 5	Citizen or Subject of a Foreign Country	<input type="checkbox"/> 3	<input type="checkbox"/> 3	Foreign Nation	<input type="checkbox"/> 6	<input type="checkbox"/> 6
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Click here for: Nature of Suit Code Descriptions.				
CONTRACT	TORTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excludes Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise	PERSONAL INJURY <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input checked="" type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury <input type="checkbox"/> 362 Personal Injury - Medical Malpractice	PERSONAL INJURY <input type="checkbox"/> 365 Personal Injury - Product Liability <input type="checkbox"/> 367 Health Care/Pharmaceutical Personal Injury Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability LABOR <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Management Relations <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 751 Family and Medical Leave Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Employee Retirement Income Security Act	<input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 690 Other INTELLECTUAL PROPERTY RIGHTS <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 835 Patent - Abbreviated New Drug Application <input type="checkbox"/> 840 Trademark <input type="checkbox"/> 880 Defend Trade Secrets Act of 2016 SOCIAL SECURITY <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g)) FEDERAL TAX SUITS <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609	<input type="checkbox"/> 375 False Claims Act <input type="checkbox"/> 376 Qui Tam (31 USC 3729(a)) <input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit (15 USC 1681 or 1692) <input type="checkbox"/> 485 Telephone Consumer Protection Act <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 896 Arbitration <input type="checkbox"/> 899 Administrative Procedure Act/Review or Appeal of Agency Decision <input type="checkbox"/> 950 Constitutionality of State Statutes
REAL PROPERTY	CIVIL RIGHTS	PRISONER PETITIONS	IMMIGRATION	
<input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	<input type="checkbox"/> 440 Other Civil Rights <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 445 Amer. w/Disabilities - Employment <input type="checkbox"/> 446 Amer. w/Disabilities - Other <input type="checkbox"/> 448 Education	Habeas Corpus: <input type="checkbox"/> 463 Alien Detainee <input type="checkbox"/> 510 Motions to Vacate Sentence <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty Other: <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition <input type="checkbox"/> 560 Civil Detainee - Conditions of Confinement	<input type="checkbox"/> 462 Naturalization Application <input type="checkbox"/> 465 Other Immigration Actions	

V. ORIGIN *(Place an "X" in One Box Only)*

1 Original Proceeding
 2 Removed from State Court
 3 Remanded from Appellate Court
 4 Reinstated or Reopened
 5 Transferred from Another District *(specify)*
 6 Multidistrict Litigation - Transfer
 8 Multidistrict Litigation - Direct File

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing *(Do not cite jurisdictional statutes unless diversity)*:
 28 U.S.C. § 1332

Brief description of cause:
 Negligence, personal injury, and declaratory relief arising from motor vehicle collision

VII. REQUESTED IN COMPLAINT:

CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P.
 DEMAND \$ 104,787,658.23
 CHECK YES only if demanded in complaint: JURY DEMAND: Yes No

VIII. RELATED CASE(S) IF ANY *(See instructions):*

JUDGE _____ DOCKET NUMBER _____

DATE: March 20, 2026

SIGNATURE OF ATTORNEY OF RECORD: *Theodore Haugland*

FOR OFFICE USE ONLY

RECEIPT # _____ AMOUNT _____ APPLYING IFP _____ JUDGE _____ MAG. JUDGE _____