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By Thomas S. Mulliga

\$86.7-Million Judgment Against Insurer Awarded to Samoa Government

A Los Angeles jury hit Affiliated FM Insurance Co., of Rhode Island, with a \$28.9 million in actual damages and \$57.8 million in punitive damages verdict for wrongly denying damages claims caused by hurricane Val in 1991.

The American Samoa Government purchased a \$45 million dollar multi-peril insurance policy two months before the tiny islands were hit with the 150-mph winds and 50-foot waves of hurricane Val causing roughly \$50 million dollars in damages.

Attorney for American Samoa, William Shernoff, said the verdict may be the largest punitive award ever won by a government in a civil suit.