

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF IOWA
EASTERN DIVISION**

P&L APARTMENTS LLC and PHG INC,
DBA PINNACLE ROOFING
CONSULTANTS,

Plaintiffs,

VS.

NATIONWIDE MUTUAL INSURANCE
COMPANY,

Defendant.

Civil Action No: 2:24-cv-01028-CJW-MAR

**NATIONWIDE MUTUAL INSURANCE
COMPANY’S MOTION FOR SUMMARY
JUDGMENT**

Defendant Nationwide Mutual Insurance Company (“Nationwide”) respectfully requests this Court dismiss the breach of contract claim and the common-law bad faith claim (Counts I and II of Plaintiffs’ Complaint) under FED. R. CIV. P. 56 and LR 56 for the following reasons and those set forth in the concurrently filed brief in support, which is incorporated as if fully set forth herein.¹

A. Iowa Law Does not Recognize Nonconsensual Pre-Loss Assignments.

Plaintiffs’ Amended Complaint alleges a breach-of-contract claim. As set out fully in Nationwide’s Memorandum in Support of this Motion (attached as **Ex. 1**, and herein incorporated by reference), Iowa law does not recognize the subject pre-loss assignment.

B. The Contract Claim of Assignee PHG Fails as a Matter of Law because the Pre-loss Assignment Voids the Coverage under Iowa law and the Policy.

As set out fully in Nationwide’s Memorandum in Support of this Motion (attached as **Ex. 1**, and herein incorporated by reference), PHG’s claim fails as a matter of law, because the coverage is void and PHG is not a party to the Policy.

¹ Nationwide further attaches its Statement of Material Facts as **Ex. 2**, and its appendix as **Ex. 3** to this motion.

C. Assignor P&L's Contract Claim Fails because it Breached the Policy.

As set out fully in Nationwide's Memorandum in Support of this Motion (attached as **Ex. 1**, and herein incorporated by reference), P&L's claim fails as a matter of law, because the pre-loss assignment of benefits entered into between PHG and P&L violates the terms and conditions of the subject insurance policy. As such, P&L failed to substantially comply with the Policy's terms, which is a condition precedent for bringing suit. P&L's breach-of-contract claim therefore fails as a matter of law.

D. Alternatively, P&L Misrepresented Material Claim Information, and as such the Policy Does Not Afford Coverage for the Loss for this Distinct Reason.

As set out fully in Nationwide's Memorandum in Support of this Motion (attached as **Ex. 1**, and herein incorporated by reference), P&L violated the anti-concealment, anti-misrepresentation, and cooperation provisions of the Policy, thereby voiding coverage.

E. The Derivative Bad Faith Claim must be Dismissed because the Underlying Contract Claim Fails and Plaintiffs Lack Evidence on Essential Elements.

As set out fully in Nationwide's Memorandum in Support of this Motion (attached as **Ex. 1**, and herein incorporated by reference), Plaintiffs' bad faith claim also fails as a matter of law for the distinct reason that Nationwide did not lack a reasonable basis for denying policy benefits.

WHEREFORE the Defendant, Nationwide Mutual Insurance Company, requests that this Court enter an Order granting this Motion, dismissing with prejudice Counts I and II of Plaintiffs' Complaint at Plaintiffs' cost, and providing such further relief as warranted under the circumstances.

Dated: June 13, 2025

Respectfully submitted,

SHOOK, HARDY & BACON, LLP.

By /s/ Alex Grasso

Alex E. Grasso, AT0011862

PEDDICORD LILLIS

4949 Westown Parkway, Suite 200

West Des Moines, IA 50266

Telephone: 515-402-4836

alex@peddicord.law

W. Clark Richardson (*pro hac vice*)

2555 Grand Boulevard

Kansas City, Missouri 64108-2613

Telephone: 816-474-6550

Facsimile: 816-421-5547

wrichardson@shb.com

ATTORNEYS FOR DEFENDANT

CERTIFICATE OF SERVICE

I hereby certify that on June 13, 2025, I filed the foregoing, which by operation of the Court's electronic case notification system provided notice upon counsel of record including:

Michael E. Cooper, ATI0015843
Shawn W. Hodge, ATI0015596
THE HODGE LAW FIRM, PLLC
1301 Market Street
Galveston, Texas 77550
Telephone: (409) 762-5000
Facsimile: (409) 763-2300
Shodge@hodgefirm.com
mcooper@hodgefirm.com

Harley C. Erbe, AT0002430
ERBE LAW FIRM
2501 Grand Avenue
Des Moines, Iowa 50312
Telephone: (515) 281-1460
Facsimile: (515) 281-1474
harleyerbe@erbelaw.com

ATTORNEYS FOR PLAINTIFFS

/s/ Alex Grasso
Attorney for Defendant