

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION

THE EICHHOLZ LAW FIRM, P.C.,

Plaintiff,

v.

STATE FARM MUTUAL  
AUTOMOBILE INSURANCE,  
COMPANY,

Defendant.

CIVIL ACTION NO.  
1:24-cv-03403-TRJ

**ORDER**

On May 30, 2025, Defendant State Farm Mutual Automobile Insurance Company (“State Farm”) filed a motion to dismiss Plaintiff The Eichholz Law Firm, P.C.’s (“Eichholz”) second amended complaint. (Doc. 34). Upon review and consideration, State Farm’s motion is **GRANTED**.

**BACKGROUND**

Prior to and on August 1, 2020, Eichholz had an automobile insurance policy with State Farm. (Doc. 33 at ¶ 16). On August 1, 2020, Eichholz’s vehicle, with less than 100,000 miles, was damaged and in need of repair. (*Id.* at ¶ 17). Eichholz submitted a first-party property damage claim to State Farm, and State Farm accepted coverage of the claim, evaluated the property damage, determined that the vehicle was not a total loss, and paid for the repairs. (*Id.* at ¶ 18). According to Eichholz, although its vehicle diminished in value from the incident, State Farm did not inform Eichholz of its right to receive payment for the diminution in value, nor did State Farm offer to pay (or pay) for the diminution in value. (*Id.* at ¶¶ 19–21).

State Farm never denied coverage of Eichholz’s claim. (*Id.* at ¶ 22). Eichholz alleges that State Farm offered it a partial payment of the damages resulting from its claim, and the parties are still negotiating the payment of the claim. (*Id.* at ¶ 24).

The relevant insurance policy<sup>1</sup> provides for a one-year period from the date of loss to file suit: “legal action may only be brought against *us* regarding: . . . c. Physical Damages Coverages if the legal action relating to these coverages is brought against *us* within one year immediately following the date of the accident or *loss*.” (Doc. 34-2 at 12 (emphasis in original)). Eichholz alleges that State Farm never indicated that a limitations period was approaching or that the limitations period had run until after this lawsuit was filed. (Doc. 33 at ¶ 23). Eichholz claims State Farm is legally obligated, under the policy and Georgia common law, to pay for the diminution in value to Eichholz’s car and maintain a formula for determining the diminution in value to other covered individuals’ damaged vehicles. (*Id.* at ¶ 26).

Because of State Farm’s alleged failure to pay for the diminution in value of covered vehicles (including Eichholz’s), and the resulting damages, Eichholz filed its original complaint on July 31, 2024, asserting a class action suit for breach of contract and declaratory/injunctive relief against State Farm. (Doc. 1). Eichholz amended its complaint on August 22, 2024, asserting the same two claims and added allegations

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<sup>1</sup> The Court may consider the insurance policy (attached to State Farm’s motion to dismiss) because its authenticity is not disputed, and it is central to Eichholz’s claims. *See Day v. Taylor*, 400 F.3d 1272, 1276 (11th Cir. 2005); *Allen v. USAA Cas. Ins. Co.*, 790 F.3d 1274, 1278 (11th Cir. 2015) (“[W]here a document—such as an insurance policy—is central to the plaintiff’s claim, its contents are not in dispute, and the defendant attaches the document to its motion to dismiss, this Court may consider that document as well.”) (citation omitted).

regarding this Court's subject matter jurisdiction. (Doc. 11). Thereafter, the Court ordered Eichholz to file a second amended complaint that sufficiently alleges subject matter jurisdiction, which Eichholz filed on May 16, 2025.<sup>2</sup> (Doc. 33). On May 30, 2025, State Farm filing the pending motion to dismiss Eichholz's second amended complaint. (Doc. 34).

### LEGAL STANDARD

Under Federal Rule of Civil Procedure 12(b)(6), a complaint should be dismissed only where it appears that the facts alleged fail to state a "plausible" claim for relief. *Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009); FED. R. CIV. P. 12(b)(6). "A claim has facial plausibility when the plaintiff pleads factual content that allows the court to draw the reasonable inference that the defendant is liable for the misconduct alleged." *Iqbal*, 556 U.S. at 678. Thus, a claim will survive a motion to dismiss if the factual allegations in the pleading are "enough to raise a right to relief above the speculative level." *Bell Atl. Corp. v. Twombly*, 550 U.S. 544, 555 (2007). Moreover, at the motion to dismiss stage, "all well pleaded facts are accepted as true, and the reasonable inferences therefrom are construed in the light most favorable to the plaintiff." *FindWhat Inv'r Grp. v. FindWhat.com*, 658 F.3d 1282, 1296 (11th Cir. 2011) (citation omitted). Courts are not

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<sup>2</sup> In the second amended complaint, Eichholz alleges that "there are thousands of putative class members with unevaluated and unpaid claims for diminished value." (Doc. 33 at ¶ 11). Eichholz further alleges that the diminished value of vehicles ranges from \$2,500.00 to \$8,000.00. (*Id.*) The Court finds that Eichholz has now alleged specific facts to satisfy the amount-in-controversy requirement, such that the Court may consider the merits of the motion to dismiss.

required, however, to accept as true legal conclusions “couched” as factual allegations. *Twombly*, 550 U.S. at 555 (citation omitted).

#### DISCUSSION

Parties to an insurance policy are bound by the terms and conditions of the policy. *See Richmond v. Ga. Farm Bureau Mut. Ins. Co.*, 140 Ga. App. 215, 221 (1976). Georgia courts have found that contractual time limitations for filing suit under insurance policies are enforceable. *See, e.g., Premier Eye Care Assocs., P.C. v. Mag Mut. Ins. Co.*, 355 Ga. App. 620, 625 (2020) (finding a two-year limitation period in an insurance policy was valid and enforceable) (citations omitted); *Morrill v. Cotton States Mut. Ins. Co.*, 293 Ga. App. 259, 261 (2008) (“[I]n previous cases addressing the enforceability of a one-year time limitation, [t]his court has decided that an insurance policy provision placing a one-year limitation upon the right of the policyholder to sue the insurer is valid and enforceable . . . [and] we decline to depart from this well-established precedent finding contractual limitation provisions such as the one here valid and enforceable.”) (citations omitted).

“Georgia courts have consistently held that when an insured fails to file suit within the suit limitation period contained in the insurance contract, an action may not be sustained against the insurer.” *See Pham v. Westfield Ins. Co.*, No. 1:21-cv-00255-TWT, 2021 WL 3398151, at \*2 (N.D. Ga. May 19, 2021) (citing *White v. State Farm Fire & Cas. Co.*, 291 Ga. 306 (2012)). Moreover, failure to file an action within contractual time limitations may be raised by a motion to dismiss for failure to state a claim. *Silbiger v. Encompass Ins. Co.*, No. 1:16-cv-00439-WCO, 2016 WL 9414109,

at \*2 (N.D. Ga. July 12, 2016) (citing *Neel v. Rehberg*, 577 F.2d 262, 264 (5th Cir. 1978)). But “dismissal on statute of limitations grounds is appropriate only if it is ‘apparent from the face of the complaint’ that the claim is time-barred.” *La Grasta v. First Union Sec., Inc.*, 358 F.3d 840, 845 (11th Cir. 2004).

Here, the insurance policy provided for a one-year period from the date of loss for Eichholz to file suit against State Farm. (Doc. 34-2 at 12). In the second amended complaint, Eichholz alleges the date of loss was August 1, 2020. (Doc. 33 at ¶ 17). Yet Eichholz filed this lawsuit on July 31, 2024, nearly four years after the date of loss. (See Doc. 1). Thus, State Farm argues that this lawsuit “simply was filed almost three years too late” and, therefore, Eichholz’s sole breach of contract claim is contractually time-barred. (Doc. 34-1 at 9–12). The Court agrees.

Eichholz argues that State Farm never denied coverage of Eichholz’s diminished value claim, never indicated that the limitations period was approaching or had already run, offered Eichholz a partial payment of damages resulting from his claim, and is currently still negotiating the claim with Eichholz. (Doc. 35 at 9). Eichholz relies on three cases to argue that enforcement of contractual limitation periods is “peculiarly fact dependent and varies depending on the actions of the insurer”: *JSPS, Inc. v. First Nonprofit Ins. Co.*, No. 1:20-cv-21 (LAG), 2020 WL 6472678 (M.D. Ga. Sep. 30, 2020) (finding the plaintiff plausibly alleged that the defendant waived the one-year limitations provision because the defendant continued to investigate a portion of the plaintiff’s claim less than two months before the limitations period expired); *Moss v. State Farm Fire & Cas. Co.*, No. 7:08-cv-33 (WLS),

2010 WL 11519635 (M.D. Ga. Mar. 30, 2010) (finding the existence of a genuine issue of material fact as to whether a one-year limitations period was waived because when the plaintiff submitted a statement of additional losses after the limitations period had already run, the insurer responded by providing a check for replacement costs benefits and stating that “the remaining items submitted are still being considered by us”); and *Nee v. State Farm Fire & Cas. Co.*, 142 Ga. App. 744 (1977) (finding that there was an issue of fact as to whether the insurer impliedly waived the contractual limitations period because the parties were still negotiating a settlement of the underlying claim). (Doc. 35 at 6–8). But these three cases are distinguishable because, in each case, there were ongoing disputes as to whether coverage existed and potential waiver by the defendant insurers of their contractual limitations provisions as to the underlying claims.

Here, Eichholz alleges that State Farm “accepted coverage for the claim” and “paid for repairs” of the underlying property damage claim. (Doc. 33 at ¶ 18). Eichholz also alleges that the parties “are still negotiating the payment of his property damage claim.” (*Id.* at ¶ 24). But State Farm represents that the parties’ negotiations relate to the potential resolution of this lawsuit, not the underlying claim. (Doc. 36 at 7–10). Eichholz does not allege in the second amended complaint that the negotiations relate to the underlying claim or that the negotiations were ongoing at the time the limitations period had run and before this lawsuit was filed. And Eichholz includes no allegations to show that State Farm otherwise waived the contractual limitations period regarding the diminution in value.

The language in the policy is clear that a lawsuit may only be brought within one year of the date of the accident or loss. (Doc. 34-2 at 12). As such, the only relevant date for determining the limitations period pursuant to the policy is the date of the accident or loss, which—according to Eichholz—is August 1, 2020. *See Balkom v. USAA Cas. Ins. Co.*, No. 1:04-cv-02348-TCB, 2006 WL 2567915, at \*2 (N.D. Ga. Aug. 31, 2006) (“A suit limitation clause starts running from the date of the incident or loss, not the date the insurer receives proof of the loss.”). Eichholz points to no provision in the policy that provides for a different limitations period if State Farm does not deny coverage on the claim or if State Farm offers a partial payment of damages, nor does Eichholz allege or point to any language in the policy that required State Farm to notify Eichholz that the limitations period was approaching or had run.

Thus, even accepting all well-pleaded facts as true, it is apparent from the face of the second amended complaint that Eichholz’s breach of contract claim is contractually time-barred. Accordingly, this claim must be dismissed. *See Bryant v. Am. Modern Select Ins. Co.*, No. 1:21-cv-00625-CAP, 2021 WL 3929004, at \*3 (N.D. Ga. May 21, 2021) (granting the defendant’s motion to dismiss the plaintiff’s breach of contract claim as contractually time-barred); *Pham*, 2021 WL 3398151, at \*2 (granting the defendant’s motion to dismiss the plaintiffs’ claims as time-barred based on the plain language of the policy’s limitation provisions).

#### CONCLUSION

For these reasons, State Farm’s Motion to Dismiss Plaintiff’s Second Amended Complaint (Doc. 34) is **GRANTED**. This action is **DISMISSED** as time-barred. The

Clerk is respectfully **DIRECTED** to **CLOSE** this case.

SO ORDERED, this 12<sup>th</sup> day of March, 2026.



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TIFFANY R. JOHNSON  
United States District Judge