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Mobile area

Man reaches settlement with insurance firm

USF&G Co. and a man who sued the insurance company for fraud after it failed to pay on a medical claim reached an out-of-court settlement Tuesday.

The settlement was reached as the case entered its seventh day in Mobile County Circuit Judge Michael Zoghby's courtroom.

Greg Breedlove, attorney for plaintiff Pete Qualey, said the amount of the settlement could not be disclosed, but his client was "happy with the settlement."

Breedlove, who tried the case with attorney Robert "Bobo" Cunningham, said Qualey was severely injured on the job in October 1984 while working for Mitchell Contracting Co. As a result of the accident, Qualey lost part of both feet.

Breedlove said Qualey was electrically shocked when he grabbed a cable attached to a crane that came in contact with a power line.

The attorney said under his worker's compensation claims, Qualey was entitled to a significant permanent disability, but USF&G told him "the wrong time period for filing the claim." He said Qualey relied on the insurance company officials' information, they knew he relied on that and they refused to pay him.

According to Breedlove, said the insurance adjustors said the statute of limitations had run out and there would be no settlement on Qualey's medical bills.