SUPERIOR COURT OF THE STATE OF DELAWARE

Lee Lifeng Hsu and Jane Yuchen Hsu v. State Farm Fire and Casualty Company

Hsu v. State Farm · No. C.A. No. N24C-09-020 CLS · Decided February 27, 2026

SUMMARY

The Delaware Superior Court ruled on cross-motions for summary judgment in an insurance coverage dispute arising from sewage-water damage to the plaintiffs’ home. The court denied the plaintiffs’ motion for partial summary judgment, denied their motion to vacate the modified trial scheduling order, and granted in part and denied in part the insurer’s motion for summary judgment. Only the breach-of-contract claim survived, with personal-property recovery limited to actual cash value absent proof of repair or replacement.

CASE DETAILS

COURT	Superior Court of the State of Delaware
WRITING FOR THE COURT	Calvin L. Scott, Jr.
JURISDICTION	Delaware Superior Court
DECIDED	February 27, 2026
DOCKET	C.A. No. N24C-09-020 CLS
DISPOSITION	other
PROCEDURAL POSTURE	The plaintiffs moved for partial summary judgment on their breach-of-contract, bad-faith, and fraud claims and moved to vacate a modified trial scheduling order. The defendant moved for summary judgment on all claims. The court denied the plaintiffs' motions, granted the defendant's motion in part, and denied it in part.
STANDARD OF REVIEW	Under Superior Court Civil Rule 56, the moving party must show that no genuine issue of material fact exists and that it is entitled to judgment as a matter of law. If that burden is met, the nonmoving party must establish a genuine issue of material fact. The court views facts and reasonable inferences in favor of the nonmoving party and denies summary judgment when a material factual dispute exists or further factual inquiry is desirable.
PRECEDENTIAL VALUE	Published Superior Court memorandum opinion; precedential effect not otherwise specified in the text.

PARTIES	Lee Lifeng Hsu, Jane Yuchen Hsu v. State Farm Fire and Casualty Company

TOPICS

insurance coverage · insurance bad faith · breach of contract · summary judgment · declaratory judgment

PRACTICE AREAS

insurance · contracts · civil procedure · remedies

QUESTIONS PRESENTED

1. Whether either party was entitled to summary judgment on the plaintiffs' breach-of-contract claim where a factual dispute existed concerning the severity of the water loss and the coverage required under the policy.
2. Whether the plaintiffs' potential recovery for personal-property damage was limited to actual cash value because they did not satisfy the policy condition requiring repair or replacement for replacement-cost recovery.
3. Whether State Farm was entitled to summary judgment on the plaintiffs' bad-faith breach-of-contract claim because its denial of additional coverage had a reasonable basis and was supported by a bona fide coverage dispute.
4. Whether the plaintiffs could maintain claims under 18 Del. C. § 2304(16), which does not create a private right of action.
5. Whether the plaintiffs' fraud claim failed because the allegations lacked the specificity required by Superior Court Civil Rule 9(b) and the record lacked evidence of actionable misrepresentations, reliance, and injury.
6. Whether the remedies available on the surviving contract claim included declaratory relief, expectation damages, punitive damages, emotional-distress damages, opportunity costs, or a recommendation for a Department of Insurance investigation.
7. Whether the plaintiffs' motion to vacate the modified trial scheduling order should be granted.

HOLDINGS

1. Neither party was entitled to summary judgment on the breach-of-contract claim because a genuine issue of material fact existed regarding the severity of the water loss and the coverage required under the policy.
2. The plaintiffs' potential recovery for personal-property damage under the policy was limited to actual cash value because they did not provide proof that the property had been repaired or replaced.
3. State Farm was entitled to summary judgment on the bad-faith breach-of-contract claim because the plaintiffs could not show that State Farm's denial of additional coverage was clearly without reasonable justification.

4. The plaintiffs could not maintain a private statutory claim under 18 Del. C. § 2304(16) because 18 Del. C. § 2304 does not create a private right of action.
5. State Farm was entitled to summary judgment on the fraud claim because the plaintiffs failed to plead and support fraud with the required specificity and failed to establish actionable misrepresentation, reliance, and injury.
6. Because only the breach-of-contract claim survived summary judgment, the plaintiffs' available remedies were limited to declaratory relief and expectation damages for covered dwelling and personal-property losses, with personal-property damages subject to the policy's actual-cash-value limitation.
7. The plaintiffs' motion to vacate the modified trial scheduling order was denied.

KEY QUOTATIONS

> *"Under Delaware law, for a claimant to prevail on a bad faith breach of contract claim, the insured must prove that the insurer breached the insurance contract, and that the breach was "clearly without any reasonable justification.""* (Discussion § II)

> *"There is no private right of action under 18 Del. C. § 2304."* (Discussion § III)

> *"In sum, the only claim that survives summary judgment is Plaintiffs' claim for breach of contract and any expectation damages associated with that claim."* (Conclusion)

FACTUAL BACKGROUND

In August 2023, the plaintiffs purchased a homeowners-insurance policy from State Farm. On October 30, 2023, their home allegedly flooded with sewage water after a second-floor toilet leak caused the kitchen ceiling to collapse and sewage to reach the basement. State Farm paid approximately $61,000 but denied additional claims for building materials and personal property, while the plaintiffs contended that the loss was a Category 3 contamination event requiring broader coverage. The plaintiffs did not provide proof that the claimed personal-property items had been repaired or replaced.

PROCEDURAL HISTORY

The plaintiffs filed a complaint on September 10, 2024, arising from State Farm's handling of their homeowners-insurance claim after a sewage-water flood. They asserted breach of contract, bad-faith breach of contract, fraud, statutory unfair-claims-settlement and insurance-fraud claims, and sought declaratory and monetary relief. On summary judgment, the court allowed the breach-of-contract claim to proceed, limited potential personal-property recovery to actual cash value absent proof of repair or replacement, and entered judgment for State Farm on the remaining substantive claims.

DISPOSITION

other

CASES CITED

- Quality Elec. Co., Inc. v. E. States Const. Serv., Inc., 663 A.2d 488, 1995 WL 379125, at *3-4 (Del. June 19, 1995) (TABLE)
- Moore v. Sizemore, 405 A.2d 679, 681 (Del. 1979)
- Ebersole v. Lowengrub, 180 A.2d 467, 469-70 (Del. 1962)
- CNH Indus. Am. LLC v. Am. Cas. Co. of Reading, 2015 WL 3863225, at *1 (Del. Super. June 8, 2015)
- Nutt v. A.C. & S. Co., Inc., 517 A.2d 690, 692 (Del. Super. 1986)
- Mechell v. Plamer, 343 A.2d 620, 621 (Del. 1975)
- Allstate Auto Leasing Co. v. Caldwell, 394 A.2d 748, 752 (Del. Super. 1978)
- Geico Gen. Ins. Co. v. Green, 308 A.3d 132, 140, 142, 144 (Del. 2022)
- Campbell v. DiSabatino, 947 A.2d 1116, 1118 (Del. 2008)
- Davis v. Maute, 770 A.2d 36, 40 n.3 (Del. 2001)
- Casson v. Nationwide Ins. Co., 455 A.2d 361, 365-66, 369 (Del. Super. Ct. 1982)
- Bacon v. American Ins. Co., 330 A.2d 576 (N.J. Super. 1974), aff'd, 351 A.2d 771 (N.J. 1974)
- Novellino v. Life Ins. Co. of North America, 216 A.2d 420 (Del. 1966)
- Lamberton v. Travelers Indem. Co., 325 A.2d 104 (Del. Super. Ct. 1974)
- Perfect Game, Inc. v. Rise 2 Greatness Found., 2025 WL 1555003, at *5 (Del. Super. June 2, 2025)
- Everphone, Inc. v. Go Tech. Mgmt., LLC, 2023 WL 7996560, at *4 (Del. Super. Nov. 17, 2023)
- Medlink Health Sols., LLC v. JL Kaya, Inc., 2023 WL 1859785, at *2 (Del. Super. Feb. 9, 2023)
- Abry Partners V, L.P. v. F & W Acq. LLC, 891 A.2d 1032, 1050 (Del. Ch. 2006)
- E.I. DuPont de Nemours and Co. v. Pressman, 679 A.2d 436, 445-49 (Del. 1996)
- Hsu v. State Farm Fire & Casualty Co., 2026 WL 165493, at *1 (Del. Super. Jan. 20, 2026)

OPINION

Lee Lifeng Hsu and Jane Yuchen Hsu v. State Farm Fire and Casualty Company
PER CURIAM.
IN THE SUPERIOR COURT OF THE STATE OF DELAWARE
LEE LIFENG HSU and)
JANE YUCHEN HSU,)
) Plaintiffs,) v.)
) C.A. No. N24C-09-020 CLS
STATE FARM FIRE AND)
CASUALTY COMPANY,)
) Defendant.))) Date Submitted: November 25, 2025 Date Decided: February 27, 2026 Upon Consideration of the Plaintiffs' Motion for Partial Summary Judgment. DENIED. Upon Consideration of the Plaintiffs' Motion to Vacate the Modified Trial Scheduling Order. DENIED. Upon Consideration of Defendant's Motion for Summary Judgment. GRANTED in part, DENIED in part.
MEMORANDUM OPINION

Lee Lifeng Hsu & Jane Yuchen Hsu, Pro Se Plaintiffs. Donald M. Ransom, Esquire for CASARINO CHRISTMAN SHALK RANSOM & DOSS, P.A., Attorney for Defendant. SCOTT, J. This matter stems from an alleged breach of an insurance contract. Lee Lifeng Hsu and Jane Yuchen Hsu (collectively, "Plaintiffs") filed a pro se Motion for Partial Summary Judgment on their claims for breach of contract, bad faith breach of contract and fraud, and a Motion to Vacate the Modified Trial Scheduling Order. The defendant, State Farm Fire and Casualty Company ("State Farm") filed a Motion for Summary Judgment on all claims against it. For the following reasons, Plaintiffs' Motion for Partial Summary Judgment is DENIED; Plaintiffs' Motion to Vacate is DENIED; Defendant's Motion for Summary Judgment is GRANTED in part, DENIED in part.

FACTUAL BACKGROUND AND PROCEDURAL HISTORY1

In August 2023, Plaintiffs entered into a contract with State Farm for Homeowners' Insurance (the "Policy").2 On October 30, 2023, Plaintiffs' home flooded with sewage water.3 Plaintiffs allege that water started leaking from the toilet on the second floor of Plaintiffs' home, causing the kitchen ceiling to collapse, which then caused sewage water to flood to the basement.4 Plaintiffs then filed a claim with State Farm for coverage on the damages that resulted.5 1 The facts are drawn from the Complaint and all documents the parties incorporated by reference. The Court accepts these facts solely for the purpose of ruling on the Motion. 2 Def.'s Mot. for Summ. J. and Resp. to Pls.' Mot. for Partial Summ. J., Ex. 5, D.I. 50 ("Def.'s Mot. for Summ. J."). 3 Complaint, ¶ 1, D.I. 1 ("Compl."). 4 Id. ¶ 8. 5 Id. ¶ 7. Following assessments from State Farm agents and an estimate from Gibellino Construction, State Farm paid around $61,000 in coverage under the Policy.6 State Farm denied coverage for additional claims made by Plaintiffs for ceramic tiles, the kitchen floor ceiling, underlayment plywood, and thousands of personal property items.7 Plaintiffs allege that the damage to their home was more than $61,000 because the water intrusion was a "Category 3" leak.8 Although unclear from the record, it seems that not all of the damages claimed by Plaintiffs "appear[ed] loss[-]related" in State Farm's view.9 The Court's understanding from the parties' briefing and the record is that "category" refers to the severity of the contamination from the leak: Category 1 is "generally clear;" Category 2 is "generally murky;" and Category 3 is "dark, highly contaminated water."10 According to Plaintiffs, State Farm wrongfully denied the coverage by failing to classify the leak's severity as Category 3, which requires coverage on the entirety of Plaintiffs' claim under the Policy. On September 10, 2024, Plaintiffs filed a Complaint against State Farm for breach of contract, bad faith breach of contract, fraud, unfair claims settlement practices under 18 Del. C. § 2304(16), and insurance fraud under 18 Del. C. § 6 Def.'s Mot. for Summ. J., Ex. 2 at 71; Compl. ¶¶ 12, 14, 17, 19. 7 Compl. ¶¶ 19, 33; Def.'s Mot. for Summ. J., Ex. 2 at 25–26, 34, 41. 8 Compl. ¶ 7. 9 Def.'s Mot. for Summ. J., Ex. 2 at 71. 10 Def.'s Mot. for Summ. J. ¶ 2. 2407(c)(2).11 Plaintiffs seek declaratory judgment, damages for dwelling and personal property losses, "opportunity costs," emotional distress and associated health issues, punitive damages, a court recommendation for a Department of Insurance investigation, interest, and attorney's fees and costs.12 Plaintiffs filed a Motion for Partial Summary Judgment on

January 27, 2025, arguing that there is no genuine dispute of material fact relating to their claims for State's Farm violation of 18 Del. C. § 2304(16)(c), breach of contract and bad faith breach of contract, and fraud.13 State Farm filed a Motion for Summary Judgment and Response to Plaintiffs' Motion for Partial Summary Judgment on October 31, 2025.14 On November 25, 2025, Plaintiffs filed a Motion to Vacate the Court's January 9, 2025 Order modifying the trial scheduling order, Reply to State Farm's Response, and Response to State Farm's Motion for Summary Judgment.15 The matter is now ripe for decision.

STANDARD OF REVIEW

The burden of proof on a motion for summary judgment under Superior Court Civil Rule 56 falls on the moving party to demonstrate that "there is no genuine issue 11 See generally Compl. 12 Compl. ¶ 40. 13 See generally Pls.' Mot. for Partial Summ. J. and Mot. to Compel, D.I. 15 ("Pls.' Mot. for Partial Summ. J."). 14 See generally Def.'s Mot. for Summ. J. 15 See generally Pls.' Mot. to Vacate Prior Scheduling Order Modification, Reply to Def.'s Resp. to Pls.' Mot. for Partial Summ. J., and Resp. to Def.'s Mot. for Summ. J., D.I. 52 ("Pls.' Reply Br"). as to any material fact and that the moving party is entitled to judgment as a matter of law."16 If the moving party satisfies its initial burden, the non-moving party must sufficiently establish the "existence of one or more genuine issues of material fact."17 Summary judgment will not be granted if there is a material fact in dispute or if "it seems desirable to inquire thoroughly into [the facts] in order to clarify the application of the law to the circumstances."18 "All facts and reasonable inferences must be considered in a light most favorable to the non-moving party."19

DISCUSSION

I. The breach of contract claim survives summary judgment, but personal property damages are limited to actual cash value. To show the contractual liability of an insurer, the insured must establish: "(1) the existence of a contract, whether express or implied, (2) breach of one or more of the contract's obligations, and (3) damages resulting from the breach."20 The only element in dispute here is whether State Farm breached the Policy. 16 Super. Ct. Civ. R. 56(c). 17 Quality Elec. Co., Inc. v. E. States Const. Serv., Inc., 663 A.2d 488, 1995 WL 379125, at *3–4 (Del. June 19, 1995) (TABLE); see also Moore v. Sizemore, 405 A.2d 679, 681 (Del. 1979). 18 Ebersole v. Lowengrub, 180 A.2d 467, 469–70 (Del. 1962); see also CNH Indus. Am. LLC v. Am. Cas. Co. of Reading, 2015 WL 3863225, at *1 (Del. Super. June 8, 2015). 19 Nutt v. A.C. & S. Co., Inc., 517 A.2d 690, 692 (Del. Super. 1986) (citing Mechell v. Plamer, 343 A.2d 620, 621 (Del. 1975); Allstate Auto Leasing Co. v. Caldwell, 394 A.2d 748, 752 (Del. Super. 1978)). 20 Geico Gen. Ins. Co. v. Green, 308 A.3d 132, 140 (Del. 2022). A. Summary judgment is not appropriate on Plaintiffs' claim for breach of contract. The Court concludes that neither State Farm nor Plaintiffs are entitled to summary judgment on the breach of contract claim. While it is undisputed that State Farm has paid Plaintiffs just over $61,000 to cover the loss from the event, a material issue of fact exists as to the severity of the loss and what coverage was required under the Policy.21 Despite the parties' clear dispute, State Farm claims that it is nevertheless entitled to summary judgment because Plaintiffs fail to provide an expert opinion "to address the proper categorization of [the] water loss[,] which in turn affects the necessary . . . remediation to support their claims for any additional" dwelling and personal property coverage "beyond what it has already paid."22 Plaintiffs counter that Jason Scarpato is the "only qualified expert opinion in the record."23 The Court agrees with State Farm that the nature of the loss requires an expert opinion as it is a matter outside the common knowledge of the factfinder.24 However, there is a dispute as to whether Plaintiffs have a qualified expert. In the Complaint, Plaintiffs allege that their expert, Jason Scarpato, a certified specialist in 21 Def.'s Mot. for Summ. J. ¶¶ 2, 5; Pls.' Reply Br. ¶ 15. 22 Def.'s Mot. for Summ. J. ¶ 3. 23 Pls.' Reply Br. ¶ 16. 24 See Campbell v. DiSabatino, 947 A.2d 1116, 1118 (Del. 2008) (quoting Davis v. Maute, 770 A.2d 36, 40 n.3 (Del. 2001)) (explaining that "[i]t is settled Delaware law that, if a claim requires proof of facts that 'are not within the common knowledge of laymen,' those facts must be presented through expert testimony"). water damage restoration, assessed the damages and opined that the home suffered a "Category 3" loss.25 The Court notes that Plaintiffs have not disclosed an expert report on Mr. Scarpato and a ruling on whether Mr. Scarpato is qualified as an expert is not suited for summary judgment. But the fact that Plaintiffs claim to have an expert raises a genuine issue of material fact as to whether State Farm breached the Policy. Accordingly, the Court will not grant summary judgment on the breach of contract claim. B. State Farm is entitled to summary judgment on replacement cost value for personal property damages. Alternatively, State Farm argues that Plaintiffs' remedy for personal property should be limited to the actual cash value because Plaintiffs failed to meet a condition precedent to receiving the replacement value under Section I Loss Settlement, Coverage B – Personal Property, B1 – Limited Replacement Cost Loss Settlement of the Policy.26 Plaintiffs' only response is that it is entitled to the replacement cost value because the defendant breached the contract in bad faith even though Plaintiffs "acted in good faith and were willing to accept Actual Cash Value (ACV) as the settlement cost." 25 Compl. ¶ 9. 26 Def.'s Mot. for Summ. J. ¶ 8, Ex. 5 at 19. "Absent waiver or estoppel, an insurer may assert substantial non- performance of any condition as a defense to any proceeding against it on a policy."27 Section I Loss Settlement, Coverage B – Personal Property, B1 – Limited Replacement Cost Loss Settlement provides:

COVERAGE B – PERSONAL PROPERTY

1. B1 – Limited Replacement Cost Loss Settlement

a. We will pay the cost to repair or replace property covered under

SECTION I – PROPERTY COVERAGES, COVERAGE B

– PERSONAL PROPERTY, except for property listed in item b below, subject to the following:

(1) until repair or replacement is completed, we will pay

only the actual cash value of the damaged property;

(2) after repair or replacement is completed, we will pay

the difference between the actual cash value and the cost you have actually and necessarily spent to repair or replace the property; and

(3) if property is not repaired or replaced within two years

after the date of loss, we will pay only the actual cash value.28 Delaware laws instructs that unless the language is clear, courts should construe insurance contracts strongly in favor of the insured where an ambiguity exists.29 The language of this provision is unambiguous and only susceptible of one 27 Casson, 455 A.2d 361, 365 (Del. Super. 1982) (citing Bacon v. American Ins. Co., 330 A.2d 576 (N.J. Super. 1978), aff'd, 351 A.2d 771 (N.J. 1974)). 28 Def.'s Mot. for Summ. J., Ex. 5 at 19. 29 Casson, 455 A.2d at 366 (citing Novellino v. Life Ins. Co. of North America, 216 A.2d 420 (Del. 1966); Lamberton v. Travelers Indem. Co., 325 A.2d 104 (Del. Super. 1974)). meaning: State Farm would pay the replacement cost value of personal property if Plaintiffs furnished State Farm with proof that the items claimed were repaired or replaced. Consequently, Plaintiffs and State Farm are bound by the terms above for payment of the replacement cost value versus actual cash value of personal property covered under the Policy. Here, there is no dispute that Plaintiffs did not provide State Farm with proof that the personal property items being claimed have been repaired or replaced. Thus, any potential recovery on Plaintiffs' claims for personal property damage under the Policy is limited to the actual cash value of those items. II. State Farm is entitled to summary judgment on Plaintiffs' bad faith breach of contract claim. Plaintiffs allege that State Farm's "intentional delays and unnecessary bureaucratic procedures to frustrate and hinder the claim process" constitute bad faith breach of contract.30 State Farm argues that it had a reasonable basis for denying Plaintiffs' claim.31 The Court agrees with State Farm. Under Delaware law, for a claimant to prevail on a bad faith breach of contract claim, the insured must prove that the insurer breached the insurance contract, and that the breach was "clearly without any reasonable justification."32 The "question 30 Compl. ¶ 39(a); Pls.' Mot. for Partial Summ. J. ¶¶ 14–17. 31 Def.'s Mot. for Summ. J. ¶ 12. 32 Green, 308 A.3d at 144 (Del. 2022) (quoting Casson, 455 A.2d at 369). relevant to whether the insurer's denial was reasonable becomes 'whether at the time the insurer denied liability, there existed a set of facts or circumstances known to the insurer which created a bona fide dispute and therefore a meritorious defense to the insurer's liability.'"33 Although there is a disputed breach of contract claim, Plaintiffs otherwise cannot show that State Farm's denial of additional coverage was clearly without reasonable justification. Nothing in the record supports the assertion that State Farm was engaging in intentional delays at the time it denied the entirety of the coverage that Plaintiffs seek or even that the supposed delays generate a breach of the Policy. Further, there is a bona fide dispute as to the severity of the leak and whether the Policy covered Plaintiffs' entire insurance claim. The Policy does not cover collapse, sewage leaks over time, or contamination from sewage leaks unless covered by the losses insured—i.e., direct, accidental physical loss of the dwelling.34 While unclear, it looks like State Farm did not provide coverage on Plaintiffs' entire claim because some of the damages did not seem related to the loss or covered by the Policy. Still, State Farm paid Plaintiffs around $61,000 for the loss based on numerous assessments. Given the circumstances at the time, it denied some of the liability claimed by Plaintiffs, State Farm disputed the coverage required under the 33 Id. 34 Def.'s

Mot. for Summ. J., Ex. 5 at 5, 12, 14–15. Policy in good faith. Hence, summary judgment in favor of State Farm is appropriate on Plaintiffs' claim for bad faith breach of contract. III. State Farm is entitled to summary judgment on Plaintiffs' claims under 18 Del. C. § 2304(16). There is no private right of action under 18 Del. C. § 2304.35 It is undisputed that this case is a private action, and Plaintiffs admit that they are not asserting a statutory claim under Section 2304(16) but rather using it as "a concise benchmark for evaluating insurer conduct."36 Therefore, summary judgment in favor of State Farm is appropriate on this issue. IV. State Farm is entitled to summary judgment on Plaintiffs' claim for fraud as the allegations lack specificity. The Complaint avers that State Farm's actions show "a fraudulent pattern of conduct" because its "systemic approach [is] rooted in a corporate culture that promotes unethical behavior."37 Plaintiffs argue that they are entitled to summary judgment for this claim on two grounds: (1) State Farm's failure to disclose the replacement cost basis for personal property violates 18 Del. C. § 2407(c)(2) and constitutes fraud under the common law; and (2) State Farm fraudulently told them that the personal property claims were being investigated when they were not, and 35 Green, 308 A.3d at 142 (internal citations omitted). 36 Pls.' Reply Br. ¶ 18. 37 Compl. ¶ 39(c). Plaintiffs were unaware due to the complicated software used for filing claims with State Farm.38 State Farm, on the other hand, argues that summary judgment is appropriate because the Complaint "fails to allege fraud with specificity and [P]laintiffs have produced no factual evidence to support any claim of fraud."39 To state a claim for fraud, the claimant must show that:

(1) the defendant falsely represented or omitted facts that the defendant
had a duty to disclose; (2) the defendant knew or believed that the representation was false or made the representation with a reckless indifference to the truth; (3) the defendant intended to induce the plaintiff to act or refrain from acting; (4) the plaintiff acted in justifiable reliance on the representation; and (5) the plaintiff was injured by its reliance.40 Rule 9(b) also requires that the claim asserts: "(1) the time, place, and contents of the false representation; (2) the identity of the person making the representation; and (3) what the person intended to gain by making the representation." 41 The particularity requirement is satisfied if the allegations are made with "detail sufficient to apprise the defendant of the basis for the claim."42 38 Pls.' Mot. for Partial Summ. J. ¶¶ 18–22. 39 Def.'s Mot. for Summ. J. ¶ 10. 40 Perfect Game, Inc. v. Rise 2 Greatness Found., 2025 WL 1555003, at *5 (Del. Super. June 2, 2025) (quoting Everphone, Inc. v. Go Tech. Mgmt., LLC, 2023 WL 7996560, at *4 (Del. Super. Nov. 17, 2023)) (internal quotation marks omitted). 41 Medlink Health Sols., LLC v. JL Kaya, Inc., 2023 WL 1859785, at * 2 (Del. Super. Feb. 9, 2023) (quoting Abry Partners V, L.P. v. F & W Acq. LLC, 891 A.2d 1032, 1050 (Del. Ch. 2006)) (internal quotation marks omitted). 42 Id. Primarily, there is nothing on this record that State Farm made statements that they were investigating Plaintiffs' claims when they were not, and that Plaintiffs relied on those statements in acting or refraining from acting. Moreover, the replacement cost value condition precedent is disclosed in the Policy and the record does not show that State Farm had an obligation to directly disclose specific provisions of the Policy to Plaintiffs.

Accordingly, summary judgment in favor of State Farm is also appropriate on Plaintiffs' claim for fraud. V. The remedies available are limited to Plaintiffs' expectation damages. Given that Plaintiffs' claim for breach of contract is all that survives summary judgment, the remedies that Plaintiffs can assert are limited to declaratory judgment, and dwelling and personal property damages—i.e., Plaintiffs' "expectation interest."43 While the Delaware Supreme Court has held that punitive damages may be available in insurance contract disputes when the insurer acts in bad faith, the Court has found that State Farm did not refuse to pay in bad faith.44 Plaintiffs assert no other justifiable grounds for recovering punitive damages on a breach of contract claim. In addition, emotional distress damages or "associated health issues" are not 43 E.I. DuPont de Nemours and Co. v. Pressman, 679 A.2d 436, 445 (Del. 1996). 44 Id. at 445–49. proper remedies where there is no evidence of physical injury or claim for intentional infliction of emotional distress.45 The Court also finds that there is no authority supporting Plaintiffs' contention that "opportunity costs" are available for interference with Mr. Hsu's achievement of his ultimate life goal or that the Court may recommend a Department of Insurance investigation.46 VI. Motion to Vacate January 9, 2024, Trial Scheduling Order Finally, for the reasons discussed in this Court's Order on Plaintiffs' Motion in Limine, Plaintiffs' Motion to Vacate is DENIED.47

CONCLUSION

In sum, the only claim that survives summary judgment is Plaintiffs' claim for breach of contract and any expectation damages associated with that claim. Thus, for the foregoing reasons, Plaintiffs' Motion for Partial Summary Judgment is DENIED; Plaintiffs' Motion to Vacate is DENIED; and Defendant's Motion for Summary Judgment is GRANTED in part, DENIED in part. IT IS SO ORDERED. /s/ Calvin Scott Judge Calvin L. Scott, Jr. 45 Id. at 445–46 (internal citations omitted). 46 Compl. ¶ 40. 47 See Hsu v. State Farm Fire & Casualty Co., 2026 WL 165493, at *1 (Del. Super. Jan. 20, 2026).