UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ALABAMA

Randal Robinson, Kaylie Robinson, and Marianne Maxson v. Liberty Mutual Personal Insurance Company

Robinson · No. 5:25-cv-1730-HDM · Decided June 15, 2026

SUMMARY

The United States District Court for the Northern District of Alabama grants Liberty Mutual's motion to dismiss an amended complaint asserting misrepresentation and fraud claims arising from the denial of insurance coverage for a fire loss. The court holds that the plaintiffs failed to plead fraud with particularity under Federal Rule of Civil Procedure 9(b) and that their theories impermissibly sound in contract. The claims are dismissed with prejudice because the plaintiffs had already been given an opportunity to amend.

CASE DETAILS

COURT	United States District Court for the Northern District of Alabama
WRITING FOR THE COURT	Harold D. A. III
JURISDICTION	United States District Court for the Northern District of Alabama
DECIDED	June 15, 2026
DOCKET	5:25-cv-1730-HDM
DISPOSITION	dismissed
PROCEDURAL POSTURE	Plaintiffs filed an amended complaint asserting misrepresentation and fraud claims arising from the denial of insurance coverage for a fire loss. On Liberty Mutual's Rule 12(b)(6) motion, the court dismissed the remaining claims with prejudice.
STANDARD OF REVIEW	On a Rule 12(b)(6) motion, the court accepts well-pleaded factual allegations as true and construes them in the light most favorable to the nonmoving party, but disregards legal conclusions couched as factual allegations. Fraud-based claims are also reviewed under Rule 9(b)'s heightened requirement that fraud be pleaded with particularity.
PRECEDENTIAL VALUE	unpublished district court memorandum opinion
PARTIES	Randal Robinson, Kaylie Robinson, Marianne Maxson v. Liberty Mutual Personal Insurance Company

TOPICS

motions to dismiss · pleadings · insurance · fraud · breach of contract

PRACTICE AREAS

civil procedure · insurance · fraud · contracts

QUESTIONS PRESENTED

1. Whether the amended misrepresentation and fraud claims pleaded the circumstances of fraud with the particularity required by Federal Rule of Civil Procedure 9(b).
2. Whether Plaintiffs' fraud-based theories impermissibly recast alleged contractual obligations concerning insurance coverage, claim handling, and payment of policy benefits as tort claims.
3. Whether dismissal with prejudice was proper after Plaintiffs were given an opportunity to amend and failed to cure the pleading deficiencies.

HOLDINGS

1. The amended misrepresentation and fraud claims failed to plead fraud with particularity because Plaintiffs did not identify the precise statements or documents, the responsible speaker or author, when and where the statements were made or transmitted, how Plaintiffs were misled, or what Liberty Mutual gained.
2. Even if pleaded with sufficient particularity, Plaintiffs' fraud and misrepresentation theories were not actionable as fraud because the alleged duties to maintain coverage, properly handle claims, and pay policy benefits arose from the insurance policy and therefore sounded in contract.
3. Dismissal with prejudice was proper because Plaintiffs had been given a specific opportunity to cure the Rule 9(b) deficiencies and failed to do so.

KEY QUOTATIONS

> *"To survive a motion to dismiss under Rule 12(b)(6), a complaint must contain "sufficient factual matter, accepted as true, to 'state a claim to relief that is plausible on its face.'""* (§ II)

> *"The court afforded Plaintiffs an opportunity to cure those deficiencies, id. at 10, but they failed to do so."* (§ III.A)

> *"Even if Plaintiffs had pleaded their fraud and misrepresentation claims with the necessary particularity, dismissal would still be warranted because Plaintiffs' alleged "misrepresentations" track the alleged contractual obligations under the policy."* (§ III.B)

FACTUAL BACKGROUND

Marianne Maxson purchased a Huntsville, Alabama property in 2019, obtained homeowner's insurance from Liberty Mutual, and was initially listed as the named insured. In 2021, ownership of the property was transferred to Randal and Kaylie Robinson, and Liberty Mutual was allegedly notified of the transfer and related mortgage and escrow arrangements. Maxson later moved from the property, which was damaged by fire in August 2024;

Liberty Mutual denied coverage and later cancelled the policy based on the absence of an insurable interest. Plaintiffs alleged that Liberty Mutual misrepresented continued coverage, accepted premiums, and failed to disclose that coverage would not continue.

PROCEDURAL HISTORY

Plaintiffs originally filed suit in the Circuit Court of Madison County, Alabama, asserting negligence, gross negligence, wantonness, breach of contract, misrepresentation, bad faith, fraud, and damages claims. Liberty Mutual removed the action based on diversity jurisdiction. The court previously dismissed the fraud and misrepresentation claims without prejudice for failure to satisfy Rule 9(b), dismissed the other claims with prejudice, and allowed Plaintiffs an opportunity to amend the fraud-based claims. Plaintiffs filed an amended complaint repleading misrepresentation and fraud, and the court dismissed both claims with prejudice.

DISPOSITION

dismissed

CASES CITED

- Ashcroft v. Iqbal, 556 U.S. 662, 678 (2009)
- Bell Atl. Corp. v. Twombly, 550 U.S. 544, 555–56, 570 (2007)
- Brooks v. Blue Cross and Blue Shield of Fla., Inc., 116 F.3d 1364, 1380–81 (11th Cir. 1997)
- Norman v. Liberty Mut. Fire Ins. Co., 471 F. Supp. 3d 1225, 1241–42 (N.D. Ala. 2020)
- Pearson's Pharmacy, Inc. v. Express Scripts, Inc., 505 F. Supp. 2d 1272, 1276 (M.D. Ala. 2007)
- Morton v. Auto. Ins. Co. of Hartford, 102 F. Supp. 3d 1248, 1259–60 (N.D. Ala. 2015)
- Eiber Radiology, Inc. v. Toshiba Am. Med. Sys., 673 F. App'x 925, 930 (11th Cir. 2016) (per curiam)