UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF ILLINOIS

Pulver Macz Funeral Home, Inc. v. West Bend Mutual Insurance Company

Pulver Macz Funeral Home · No. 25-cv-01747-JPG · Decided February 3, 2026

SUMMARY

The United States District Court for the Southern District of Illinois denied West Bend Mutual Insurance Company’s Rule 12(b)(6) motion to dismiss a claim under § 155 of the Illinois Insurance Code. The court held that Pulver Macz Funeral Home alleged sufficient facts to plausibly support that West Bend’s investigation and claim-handling conduct was vexatious and unreasonable. The court also concluded that whether a bona fide coverage dispute existed was a fact-specific issue not appropriately resolved at the pleading stage.

CASE DETAILS

COURT	United States District Court for the Southern District of Illinois
WRITING FOR THE COURT	J. Phil Gilbert
JURISDICTION	United States District Court for the Southern District of Illinois
DECIDED	February 3, 2026
DOCKET	25-cv-01747-JPG
DISPOSITION	other
PROCEDURAL POSTURE	Defendant moved under Federal Rule of Civil Procedure 12(b)(6) to dismiss Count 2, the plaintiff's claim for vexatious and unreasonable delay under section 155 of the Illinois Insurance Code.
STANDARD OF REVIEW	On a Rule 12(b)(6) motion, the court accepts the complaint's factual allegations as true and asks whether the complaint contains sufficient factual matter to state a facially plausible claim for relief.
PRECEDENTIAL VALUE	unpublished district court memorandum and order

TOPICS

insurance bad faith · insurance coverage · motions to dismiss · civil procedure · commercial litigation

PRACTICE AREAS

insurance · insurance bad faith · civil procedure · commercial litigation

QUESTIONS PRESENTED

1. Whether the complaint pleaded sufficient factual matter to state a claim under section 155 of the Illinois Insurance Code for vexatious and unreasonable refusal or delay in payment.
2. Whether the alleged coverage dispute was sufficiently apparent from the face of the complaint to require dismissal of the section 155 claim at the pleading stage.

HOLDINGS

1. The complaint pleaded sufficient factual allegations to plausibly state a claim that West Bend's refusal or delay in payment was vexatious and unreasonable.
2. The court declined to dismiss the section 155 claim based on the alleged bona fide coverage dispute because the complaint showed a coverage dispute but did not establish that the dispute was bona fide, and that fact-specific issue could not be resolved on the pleadings.

KEY QUOTATIONS

> “*The complaint establishes “that there is a coverage dispute, but not that it is a bona fide dispute.”*” (at 6)

> “*The Court does not have the evidence necessary to consider the totality of the circumstances and cannot decide at this stage whether the dispute is bona fide or not.*” (at 7)

FACTUAL BACKGROUND

Pulver Macz's funeral-home property was damaged by a wind and hailstorm while insured under a commercial policy issued by West Bend. West Bend's initial estimate valued the damage at $38,746.67, while the plaintiff's expert estimated total damages of $951,961.32; West Bend later issued a revised estimate of $98,958.76 plus potential code-upgrade costs. The plaintiff alleged that West Bend failed to conduct an adequate investigation, ignored information from the plaintiff and its experts concerning property and electrical damage, and delayed payment and settlement.

PROCEDURAL HISTORY

Pulver Macz filed suit in the Marion County Circuit Court against West Bend and Hausch. West Bend removed the action to the Southern District of Illinois on September 5, 2025, asserting fraudulent joinder as to Hausch. The court later dismissed the negligent-misrepresentation claim against Hausch without prejudice and retained jurisdiction. West Bend then moved to dismiss the section 155 claim, and the court denied that motion.

DISPOSITION

other

CASES CITED

- Erickson v. Pardus, 551 U.S. 89, 94 (2007)

- Bell Atlantic Corp. v. Twombly, 550 U.S. 544, 555-56 (2007)
- Ashcroft v. Iqbal, 556 U.S. 662, 678 (2009)
- EEOC v. Concentra Health Services, Inc., 496 F.3d 773, 776 (7th Cir. 2007)
- McGee v. State Farm Fire & Casualty Co., 734 N.E.2d 144, 151 (Ill. App. Ct. 2000)
- TKK USA, Inc. v. Safety National Casualty Corp., 727 F.3d 782, 793 (7th Cir. 2013)
- Citizens First National Bank of Princeton v. Cincinnati Insurance Co., 200 F.3d 1102, 1110 (7th Cir. 2000)
- Medical Protective Co. v. Kim, 507 F.3d 1076, 1086 (7th Cir. 2007)
- Sutherland-Garnier Funeral Home, Inc. v. State Auto Property & Casualty Insurance Co., No. 3:23-CV-1501-MAB, 2023 WL 8715859, at *2-3 (S.D. Ill. Dec. 18, 2023)
- Federal Insurance Co. v. Healthcare Information & Management Systems Society, Inc., 567 F. Supp. 3d 893, 901 (N.D. Ill. 2021)
- Call One Inc. v. Berkley Insurance Co., 587 F. Supp. 3d 706, 720 (N.D. Ill. 2022)
- Markel American Insurance Co. v. Dolan, 787 F. Supp. 2d 776, 779 (N.D. Ill. 2011)
- Sieron v. Hanover Fire & Casualty Insurance Co., 485 F. Supp. 2d 954, 960 (S.D. Ill. 2007)
- P & M/Mercury Mechanical Corp. v. West Bend Mutual Insurance Co., 483 F. Supp. 2d 601, 604 (N.D. Ill. 2006)
- King Public Adjusters Group, Inc. on behalf of Khan v. Travelers Insurance Co., No. 25 CV 5803, 2025 WL 3620979, at *4 (N.D. Ill. Dec. 15, 2025)
- Souza v. Erie Insurance Co., No. 22-CV-3744, 2023 WL 4762712, at *8 (N.D. Ill. July 25, 2023)
- Strategic Capital Bancorp, Inc. v. St. Paul Mercury Insurance Co., No. 10-CV-2062, 2014 WL 562970, at *5-6 (C.D. Ill. Feb. 13, 2014)
