UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
WEST PALM BEACH DIVISION

CASE NO. 25-80393-CIV-CANNON

SPECKIN FORENSICS, LLC,

Plaintiff,

v.

TWIN CITY FIRE INSURANCE COMPANY,

Defendant.

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ORDER GRANTING DEFENDANT'S MOTION TO DISMISS

THIS CAUSE comes before the Court upon Defendant Twin City Fire Insurance Company's Motion to Dismiss (the "Motion") [ECF No. 13]. The Court has reviewed the Motion, Plaintiff's Response in Opposition [ECF No. 15], Defendant's Reply [ECF No. 21], and the full record. Upon review, the Motion is **GRANTED** because the insurance policy at issue does not cover Plaintiff's alleged damage.

BACKGROUND

The following background is taken from Plaintiff's Complaint [ECF No. 1-2 pp. 22–32] and accepted as true for purposes of this Order.[1] Plaintiff Speckin Forensics, LLC ("Speckin") is an international forensic firm based in Palm Beach County, Florida [ECF No. 1-2 p. 22 ¶ 1].

[1] The Court also considers three documents attached to Defendant's Motion under the incorporation-by-reference doctrine because they are central to Plaintiff's claims and no one disputes their authenticity: (1) state court complaint filed by Harold Peerenboom [ECF No. 14-1]; (2) state court complaint filed by Plaintiff Speckin Forensics against GenQuest [ECF No. 14-2]; and (3) the insurance policy at issue in this case issued by Defendant Twin City to GenQuest [ECF No. 14-3]. *See Johnson v. City of Atlanta*, 107 F.4th 1292, 1300 (11th Cir. 2024).

Defendant Twin City Fire Insurance Company ("Twin City") is an insurance company headquartered in Connecticut [ECF No. 1-2 p. 23 ¶ 3].

A. Peerenboom Litigation

This case begins in 2013, when non-party Harold Peerenboom hired Speckin to perform forensic work, including DNA analysis, in support of his claims in a state court civil suit against various defendants who allegedly wrote anonymous hate letters accusing him of crimes [ECF No. 1-2 pp. 24–25 ¶¶ 10, 15, 18; ECF No. 14-1]. Speckin, in turn, engaged GenQuest, LLC and GenQuest's employee Elmer Otteson to perform the DNA analysis [ECF No. 1-2 pp. 23–24 ¶¶ 4, 11]. One defendant in that case contested the analysis identifying her DNA on one of the letters and filed a third-party claim against Speckin [ECF No. 1-2 p. 25 ¶¶ 18–19].

Towards the beginning of the Peerenboom litigation, Otteson (GenQuest's employee) testified that the DNA analysis provided by GenQuest for Speckin was based on reliable evidence and not contaminated [ECF No. 1-2 p. 24 ¶ 17]. Several other times over the next few years, Otteson assured Speckin that the DNA analysis was reliable and not contaminated [ECF No. 1-2 p. 25 ¶ 20]. But then in August 2020, Otteson admitted for the first time that there was evidence of contamination and that his analysis was unreliable [ECF No. 1-2 p. 25 ¶ 21]. After that revelation, Speckin settled the third-party action against it [ECF No. 1-2 p. 26 ¶ 24].

B. Litigation between Speckin and GenQuest

In March 2023, Speckin sued GenQuest in state court for negligence and breach of contract arising out of GenQuest's faulty DNA analysis that it provided to Speckin [ECF No. 1-2 p. 27 ¶¶ 28–29; ECF No. 14-2]. Speckin also alleged that GenQuest was required to indemnify Speckin for the costs, expenses, and damages incurred by Speckin in defending the third-party claim in the Peerenboom litigation [ECF No. 1-2 p. 27 ¶ 29; ECF No. 14-2 ¶¶ 43–44]. Speckin

obtained a default judgment against GenQuest for $877,245.00 plus interest, but there have been no payments on that judgment [ECF No. 1-2 p. 27 ¶ 30].

C. The instant lawsuit between Speckin and Twin City

In February 2025, Speckin filed the instant complaint in state court against Twin City [ECF No. 1-2].[2] Speckin alleges that Twin City must pay the $877,245.00 judgment entered against GenQuest under an insurance policy issued by Twin City to GenQuest between 2017 and 2021 [ECF No. 1-2 p. 23 ¶ 4, pp. 27–28 ¶ 35]. The policy provides that Twin City will "pay those sums that [GenQuest] becomes legally obligated to pay as damages because of 'bodily injury,' 'property damage' or 'personal and advertising injury' to which this insurance applies" [ECF No. 14-3 p. 50]. The "insurance applies . . . [t]o 'personal and advertising injury' caused by an offense arising out of [GenQuest's] business" [ECF No. 14-3 p. 50]. The policy, in turn, defines "personal and advertising injury" as an "injury . . . arising out of one or more of the following offenses: . . . . Oral, written, or electronic publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products, or services" [ECF No. 14-3 pp. 71–72].

The policy also contains various exclusions to which the insurance "does not apply" [ECF No. 14-3 pp. 52–59]. Relevant here, the policy provides that no insurance coverage applies to any "'personal and advertising injury' arising out of the rendering of or failure to render any professional service," which "includes but is not limited to" a list of eleven enumerated services [ECF No. 14-3 pp. 55–56].

[2] The original state court complaint named two Defendants, Twin City and The Hartford Financial Services Company [ECF No. 1-2], but Plaintiff voluntarily dismissed Defendant Hartford Financial Services Company after removal [ECF Nos. 1, 8, 12].

Speckin alleges that GenQuest is entitled to coverage because GenQuest and Otteson published false information—that the DNA analysis was reliable and not contaminated—in written reports and statements [ECF No. 1-2 p. 26 ¶ 26]. And by admitting that the DNA analysis was unreliable, Speckin alleges, GenQuest "disparaged the quality and value of Speckin's reputation and goodwill, as Speckin had retained GenQuest/Otteson to perform the DNA analysis, thereby associating with GenQuest/Otteson" [ECF No. 1-2 p. 26 ¶ 27]. Accordingly, Speckin asserts, Twin City's insurance policy applies to GenQuest's actions, which constitute a "personal and advertising injury"—specifically, "written . . . publication of material that slanders or libels [Speckin] or disparages [Speckin's] goods, products, or services" [ECF No. 1-2 pp. 29–31 ¶¶ 47, 55, 69]. So by declining coverage for the damages awarded against GenQuest, Speckin alleges that Twin City has breached the insurance policy of which Speckin is a third-party beneficiary [ECF No. 1-2 pp. 29–31 ¶¶ 46–64]. Speckin also seeks a declaratory judgment that the insurance policy requires Twin City to provide coverage to GenQuest [ECF No. 1-2 p. 31 ¶¶ 65–69]. Speckin does not dispute that the technical performance of DNA analysis constitutes a "professional service" within the meaning of the Policy exclusion but believes that GenQuest remains entitled to coverage because Speckin's allegations against GenQuest are based on Otteson's alleged misrepresentations, not professional services rendered by GenQuest and Otteson [ECF No. 15 pp. 5, 16–18].

Twin City removed the case to this Court based on diversity jurisdiction under 18 U.S.C. § 1332(a) [ECF No. 1]. Twin City then moved to dismiss the Complaint for failure to state a claim [ECF No. 13]. The Motion is now ripe for review [ECF Nos. 15, 21].

LEGAL STANDARDS

Rule 12(b)(6). Rule 8(a)(2) requires complaints to provide "a short and plain statement of the claim showing that the pleader is entitled to relief." Fed. R. Civ. P. 8(a)(2). To avoid dismissal under Rule 12(b)(6), a complaint must allege facts that, if accepted as true, "state a claim to relief that is plausible on its face." *Bell Atl. Corp. v. Twombly*, 550 U.S. 544, 570 (2007); *see* Fed. R. Civ. P. 12(b)(6). A claim for relief is plausible if the complaint contains factual allegations that allow "the court to draw the reasonable inference that the defendant is liable for the misconduct alleged." *Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009). "The plausibility standard is not akin to a 'probability requirement,' but it asks for more than a sheer possibility that a defendant has acted unlawfully." *Id.* (quoting *Twombly*, 550 U.S. at 545). Conclusory allegations, unwarranted deductions of facts, or legal conclusions masquerading as facts will not prevent dismissal. *Oxford Asset Mgmt., Ltd. v. Jaharis*, 297 F.3d 1182, 1188 (11th Cir. 2002).

Insurance policy interpretation. The Court applies Nevada law to this dispute over the Policy's interpretation, which is a question of law for the Court. *See Starr Surplus Lines Ins. Co. v. Eighth Jud. Dist. Ct. in & for County of Clark*, 535 P.3d 254, 260 (Nev. 2023); *Goldberg v. Nat'l Union Fire Ins. Co. of Pittsburgh, PA.*, 143 F. Supp. 3d 1283, 1291 (S.D. Fla. 2015), *aff'd sub nom. Stettin v. Nat'l Union Fire Ins. Co. of Pittsburgh, PA*, 861 F.3d 1335 (11th Cir. 2017) (collecting cases nationwide that dismiss complaints for failure to state a claim "when a review of the insurance policy and the underlying claim for which coverage is sought unambiguously reveals that the underlying claim is not covered"). [3] The Court interprets unambiguous language in an

[3] Defendant correctly identifies that Florida's choice-of-law rules apply to this dispute because Florida is the forum jurisdiction [ECF No. 13 p. 15]. Defendant also correctly observes that Florida's *lex loci contractus* doctrine provides that "the law of jurisdiction where the contract was executed governs the rights and liabilities of the parties in determining an issue of insurance coverage" [ECF No. 13 pp. 15–16 (citing *State Farm Mut. Auto Ins. Co. v. Roach*, 945 So. 2d

insurance policy "according to the plain meaning of its terms." *Century Sur. Co. v. Casino West, Inc.*, 329 P.3d 614, 616 (Nev. 2014). Ambiguities exist only if language "creates multiple reasonable expectations of coverage." *Id.* at 616. Ambiguities are construed against the drafter interpreted to "effectuate the insured's reasonable expectations." *Id.* "Because ambiguities in insurance policies must be interpreted against the insurer, if an insurer wishes to exclude coverage by virtue of an exclusion in its policy, it must (1) write the exclusion in obvious and unambiguous language in the policy, (2) establish that the interpretation excluding covering under the exclusion is the only interpretation of the exclusion that could fairly be made, and (3) establish that the exclusion clearly applies to this particular case." *Powell v. Liberty Mut. Fire Ins. Co.*, 252 P.3d 668, 674 (Nev. 2011). But "ambiguity does not arise simply because the parties disagree on how to interpret their contract." *Galardi v. Naples Polaris, LLC*, 301 P.3d 364, 366 (Nev. 2013). Clauses providing coverage are interpreted broadly "to afford the greatest possible coverage to the insured, and clauses excluding coverage are interpreted narrowly against the insurer." *Nat'l Union Fire Ins. Co. of the State of Pa., Inc. v. Reno's Exec. Air, Inc.*, 682 P.2d 1380, 1383 (Nev. 1984).

DISCUSSION

Twin City seeks to dismiss Speckin's Complaint for two independent reasons: (1) the policy expressly excludes coverage for injuries arising out of the rendering of professional

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1160, 1163 (Fla. 2006)]. The insurance policy in this case was issued in Nevada, so Defendant asserts that "the Court is free to apply Florida law to the extent that it agrees that there is no conflict between Florida and Nevada law" [ECF No. 13 p. 16]. Without firmly asserting which state's law applies here, Defendant cites both Florida and Nevada law throughout its Motion [ECF No. 13]. So does Plaintiff in its Response [ECF No. 25]. While there seems to be no dispute between the parties as to which state's law applies, the Court—applying Florida's choice-of-law rules because Florida is the forum jurisdiction—applies Nevada law to this insurance-coverage dispute under Florida's *lex loci contractus* doctrine, although there do not appear to be material differences between Nevada and Florida law on the issues in this case, as the parties agree. *See Roach*, 945 So. 2d at 1163.

services, and GenQuest's forensic DNA analysis was a professional service; and (2) the Complaint does not allege a "personal and advertising injury" under the policy such that Twin City is obligated to cover GenQuest [ECF No. 13]. The Court agrees with Twin City that the insurance policy expressly excludes coverage for GenQuest's faulty DNA analysis under the professional-services exclusion. The Court therefore need not address whether Speckin adequately alleges a "personal and advertising injury" in the first instance.

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The professional services exclusion in the Policy excludes coverage for injuries "arising out of the rendering of or failure to render any professional service" [ECF No. 14-3 p. 55]. "Nevada law indicates that a 'professional service' must involve a profession where some degree of special authorization is required." *Golden Bear Ins. Co. v. Evanston Ins. Co.*, 564 F. Supp. 3d 922, 931 (D. Nev. 2021); *Great-W. Life & Annuity Ins. Co. v. Am. Econ. Ins. Co.*, No. 2:11-CV-02082-APG, 2015 WL 128704, at *3 (D. Nev. Jan. 9, 2015) (explaining that professional services require "specialized knowledge, labor, or skill, and the labor or skill involved is predominantly mental or intellectual").

Twin City argues that GenQuest's DNA analysis is squarely a professional service within the unambiguous terms of the professional-services exclusion [ECF No. 13 pp. 18–22]. From that conclusion, Twin City reasons as follows: GenQuest performed the DNA analysis (a professional service) for Speckin; Speckin sued GenQuest for negligently conducting the DNA analysis; therefore, Speckin's injury clearly "aris[es] out of the rendering of . . . any professional service" [ECF No. 13 pp. 22–23].[4] Speckin responds that the professional-services exclusion is illusory,

[4] In its argument that the professional-services exclusion applies, Twin City "assum[es] *arguendo* that the injury claimed by Speckin and allegedly caused by GenQuest is a 'personal and advertising injury'" [ECF No. 13 p. 22; ECF No. 14-3 p. 55 (excluding "personal and advertising injury"

and therefore unenforceable, because "[e]verything, or nearly everything, that GenQuest does as a business—engaging in forensic and DNA analysis—would probably meet the broad definition" of "professional services" [ECF No. 15 p. 16]. And even if the exclusion is enforceable, Speckin continues, it does not apply here because Speckin's claims against GenQuest for indemnification and contribution "focus on the oral and written misrepresentations committed by Otteson for years, which resulted in significant harm to Speckin" [ECF No. 15 p. 17]. In other words, Speckin argues that its claims against GenQuest do not arise from GenQuest's *DNA analysis*—which Speckin concedes is "likely . . . a professional service"—but rather from GenQuest's *defamatory statements*—which is not conduct excluded from insurance coverage under the professional-services exclusion [ECF No. 15 p. 17].

The Court agrees with Twin City and concludes that the professional-services exclusion is enforceable and unambiguous. The Court also agrees with Twin City that Speckin's claims "aris[e] out of the rendering of" the DNA analysis, which is a professional service. Therefore, Speckin's claims are excluded from coverage under the Policy's professional-services exclusion.

First, contrary to Plaintiff's suggestion, the professional-services exclusion is not illusory as understood within the meaning of the illusory-coverage doctrine. It is, of course, a broad exclusion—eliminating coverage for any otherwise covered injury "arising out of the rendering of or failure to render any professional service" [ECF No. 14-3 p. 55]. But a broad exclusion does

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arising out of the rendering of any professional service). Defendant, however, in its alternative, independent argument insists that Plaintiff has not alleged a "personal and advertising injury"—meaning no coverage is triggered under the policy, regardless over whether the exclusion applies [ECF No. 13 pp. 23–25]. Plaintiff responds that GenQuest's purported defamation—which stems from its faulty DNA analysis—"fits squarely within the definition of a covered 'personal or advertising injury'" [ECF No. 15 p. 12]. Because the Court ultimately concludes that the professional-services exclusion bars coverage in this case, the Court assumes that GenQuest caused a "personal and advertising injury," such that the insurance policy applies—a position Speckin asks the Court to adopt, and Twin City asks the Court to assume.

not alone amount to an illusory one. More fundamentally, the exclusion does not eliminate all, or virtually all coverage in the Policy [ECF No. 15 p. 15]. Rather, coverage remains for other "personal and advertising injury" (as well as "bodily injury" and "property damage") that does not "arise out of the rendering of or failure to render any professional services." For example, as Twin City points out, coverage remains for claims of false advertising against GenQuest (e.g., GenQuest runs ads unjustly attacking a competitor), as well as for general injuries (e.g., an individual falling in GenQuest's lab), because those acts do not involve the rendering of professional services [ECF No. 21 pp. 7–9)]. *See* Williston on Contracts § 49:111 (4th ed.) ("An insurance policy is not illusory if it provides coverage for some acts subject to a potentially wide exclusion."); *cf. Zucker for BankUnited Fin. Corp. v. U.S. Specialty Ins. Co.*, 856 F.3d 1343, 1352 (11th Cir. 2017) (explaining that illusory-coverage doctrine applies if all or virtually all coverage in a policy is eliminated by an exclusion).[5] For this reason, given the existence of coverage notwithstanding application of the professional-services exclusion, the Court cannot agree that the professional-services exclusion renders the Policy illusory.

Second, although Plaintiff characterizes the Policy as ambiguous [ECF No. 15 pp. 14–16], Plaintiff does not identify any basis to find ambiguity. To recap, the insurance policy clearly covers bodily injuries, property damage, and personal and advertising injuries as defined in the Policy. It

[5] As Defendant observes, the insurance policy here is a general liability policy—not a professional-services or an errors-and-omissions policy [ECF No. 21 p. 9; ECF No. 13 p. 18]. *See Great-West Life & Annuity Ins. Co.*, 2015 WL 128704, at *3 (noting that commercial general liability policies "frequently exclude coverage for 'professional services'"); *Prime Ins. Syndicate, Inc. v. Damaso*, 471 F. Supp. 2d 1087, 1095 (D. Nev. 2007) (discussing professional liability insurance policies). GenQuest could have purchased a professional-services or errors-and-omissions policy, but it did not, opting to purchase a policy that excludes such coverage [*see* ECF No. 21 p. 9]. This point bolsters the conclusion that the professional-services exclusion eliminates coverage for specific injuries but leaves untouched other injuries intended to be covered under a general liability policy.

then excludes twenty things, including professional services [ECF No. 14-3 pp. 50–59]. The professional-services exclusion, in turn, excludes from coverage "'bodily injury,' 'property damage,' or 'personal and advertising injury' arising out of the rendering of or failure to render any professional service," and then it defines those services with more specificity in a non-exhaustive list [ECF No. 14-3 p. 55].[6] "Professional services" require specialized knowledge, labor, or skill. *See Golden Bear*, 564 F. Supp. 3d at 931; *Great-West Life & Annuity Ins. Co.*, 2015 WL 128704, at *3. The Court discerns no ambiguity in these provisions, and Plaintiff has not pointed to any.

Third, to close the loop, the unambiguous and non-illusory professional-services exclusion applies to GenQuest's DNA analysis, which Speckin agrees qualifies as a professional service under the Policy [ECF No. 15 p. 5 ("Speckin does not dispute that the technical performance of DNA forensic analysis constitutes a professional service."); ECF No. 15 p. 17 ("To be clear, creating a scenario in which the DNA sampling became contaminated is likely engaging in a professional service.")]. Despite conceding that GenQuest's DNA analysis is a professional service, Speckin argues that GenQuest is still entitled to coverage because Speckin's allegations against GenQuest (in the state-court litigation in which Speckin obtained the $844,000 default judgment) "do not hinge on whether or not GenQuest contaminated the DNA sample in the technical performance of its craft" [ECF No. 15 p. 17]. Rather, Speckin argues, its allegations "focus on the oral and written misrepresentations committed by Otteson for years, which resulted in significant harm to Speckin" [ECF No. 15 p. 17]. While that counterargument carries some

[6] Twin City argues that GenQuest's DNA analysis is a "professional service" as defined in Nevada caselaw and is included under the exclusion, because "professional services" as defined in the Policy "is not limited" strictly to the eleven enumerated items [ECF No. 13 pp. 19–20]. Plaintiff does not dispute that DNA analysis qualifies as a professional service [ECF No. 15 pp. 5, 17].

appeal, the Court ultimately agrees with Twin City that any harm to Speckin caused by GenQuest "aris[es] out of the rendering of . . . [GenQuest's] professional service"—meaning that coverage under the insurance policy is excluded [ECF No. 14-3 p. 55]. This unambiguous language in the insurance policy must be construed "according to the plain meaning of its terms." *Century Surety Co.*, 329 P.3d at 616. And Nevada courts have "followed a broad inclusive interpretation of [arising-out-of] provisions." *See Capitol Indem. Corp. v. Blazer,* 51 F. Supp. 2d 1080, 1087 (D. Nev. 1999) (explaining that courts "must take a broader perspective and look to the resulting injuries which give rise to the cause of action against the insured"). Here, as Twin City puts it, GenQuest's purported failure to admit the defects in its DNA analysis "may have increased the scope of the harm, but it does not alter where the harm arose from—GenQuest's faulty DNA analysis" [ECF No. 21 p. 11]. *Cf. Zhang v. Barnes*, 132 Nev. 1049, 382 P.3d 878 (2016) (noting that "some courts have held that claims of negligent hiring, training, and supervision that are inherently interdependent on and an intricate part of the negligent rendering of professional medical treatment are subject to the 'professional services exclusion,' just like medical malpractice").

At bottom, any injury that GenQuest inflicted on Speckin "aris[es] out of the rendering of . . . [a] professional service"—the DNA analysis. The professional-services exclusion in GenQuest's insurance policy with Twin City therefore applies and excludes coverage for injuries to Speckin arising out of GenQuest's faulty DNA analysis.

CONCLUSION

For these reasons, it is **ORDERED** and **ADJUDGED** as follows:

1. Defendant Twin City Fire Insurance Company's Motion to Dismiss [ECF No. 13] is **GRANTED**.
2. Plaintiff Speckin Forensics, LLC's Complaint [ECF No. 1-2 pp. 22–32] is **DISMISSED WITH PREJUDICE**.[7]
3. Final judgment will be entered in a separate order under Rule 58.
4. The Clerk is directed to **CLOSE** this case.

ORDERED in Chambers at Fort Pierce, Florida, this 8th day of August 2025.

AILEEN M. CANNON
UNITED STATES DISTRICT JUDGE

cc: counsel of record

[7] Dismissal with prejudice is appropriate because no additional repleading would change the terms of the Policy or the application of the exclusion to the alleged facts. Nor does Plaintiff ask for an opportunity replead.