IN THE UNITED STATES COURT OF APPEALS FOR THE FIFTH CIRCUIT United States Cou

United States Court of Appeals Fifth Circuit

FILED

June 22, 2009

No. 08-60993

Charles R. Fulbruge III
Clerk

ALLSTATE INSURANCE COMPANY

Plaintiff-Appellee

v.

WILLIE J. PERKINS, SR.; WILLIE J. PERKINS, JR.; SHERIEL PERKINS

Defendants-Appellants

Appeal from the United States District Court for the Northern District of Mississippi USDC No. 4:07-CV-155

Before JONES, Chief Judge, and HIGGINBOTHAM and HAYNES, Circuit Judges.

PER CURIAM:*

After reviewing the briefs, hearing oral argument, and relying on pertinent portions of the record, we affirm the district court judgment denying defense coverage to Willie J. Perkins, Sr., William J. Perkins, Jr, and Sheriel Perkins, Appellants, by Allstate Insurance Company. However, we vacate the sanction award against Willie Perkins, Sr., because it was not based on wilful misconduct or bad faith and therefore was an abuse of discretion. *Natural Gas Pipeline Co.*

^{*}Pursuant to 5th Cir. R. 47.5, the court has determined that this opinion should not be published and is not precedent except under the limited circumstances set forth in 5th Cir. R. 47.5.4.

of Am. v. Energy Gathering, Inc., 2 F.3d 1397, 1410-11 (5th Cir. 1993) (upholding a court's inherent power to sanction bad faith conduct); Pressey v. Patterson, 898 F.2d 1018, 1021 (5th Cir. 1990) ("We have confined sanctions under the district court's inherent power to instances of bad faith or willful abuse of the judicial process.") AFFIRMED IN PART AND VACATED IN PART. See 5TH CIRCUIT Loc. Rule 47.6.