

INSURANCE COVERAGE LITIGATION & ARBITRATION

Covington has a leading practice in assisting policyholders to obtain insurance coverage through litigation and arbitration. We have amassed a record of numerous successful outcomes in federal and state trial courts, and we maintain an extensive appellate practice, representing both parties and amici curiae. Apart from our extensive experience in trial and appellate coverage litigation, our insurance lawyers have also succeeded in obtaining substantial coverage for our clients in domestic and international arbitration proceedings. These litigation skills are often combined with a settlement negotiation strategy to achieve the best possible recovery for our clients.

The coverage disputes we have litigated at the trial court level run the gamut of policy types, underlying claims, forums and procedural postures.

- We have handled disputes over general liability coverage for asbestos-related and other mass-tort claims, environmental claims, intellectual property claims, pharmaceutical and medical-device claims, and other personal injury claims.
- We have litigated cases involving many other types of insurance coverage, such as directors and officers (D&O), environmental impairment liability (EIL), fidelity, fiduciary, first-party property and business interruption, marine, and professional liability insurance.
- Where appropriate, we have pursued claims for bad faith and other extracontractual damages claims; in some of these cases, our clients have received recoveries above and beyond policy limits.

In addition, we have a long history of serving as lead appellate counsel in some of the seminal insurance decisions over the last thirty years. Our insurance lawyers have argued or filed briefs on insurance coverage issues in all thirteen United States Circuit Courts of Appeals and in the appellate or supreme courts of numerous states.

The firm's unique combination of substantive insurance expertise and a long-established arbitration practice on both sides of the Atlantic has made us well suited to handle coverage arbitrations. We have handled numerous insurance arbitrations under the Wellington Agreement, as well as major London arbitrations under so-called Bermuda form policies. In addition to handling such arbitrations, we have also had remarkable successes in litigation about arbitration that focuses on enforcement of arbitral agreements and awards.

REPRESENTATIVE MATTERS

- We are representing Merck in two related London arbitrations involving insurance coverage for claims relating to Vioxx.
- On behalf of corporate policyholders, we instituted proceedings in the English High Court in London in which we successfully challenged solvent schemes of arrangement proposed by insurance carriers that sought to extinguish coverage for future claims by policyholders.
- On behalf of the State of Minnesota, we have secured – through litigation and related settlement negotiations -- more than \$100 million in insurance recoveries for environmental matters pursuant to an innovative legislative program for the cleanup of landfills within the State.
- Commencing in 1996 and continuing to the present, we have represented Owens Corning in eight Wellington Agreement arbitral or ADR proceedings, two federal court cases, and one state court lawsuit against numerous insurers seeking coverage for asbestos non-products claims. Although the results of these proceedings are largely confidential, one such proceeding involving an ADR and related lawsuit resulted in a \$335 million settlement recovery that became public as a result of high-

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profile litigation the insurer filed to collect reinsurance.

- We are representing a national hotel company in litigation over coverage for property damage and business income losses caused by Hurricane Katrina.
- We are representing Morgan Stanley in a New York lawsuit filed by Lloyd's disputing coverage under a financial institutions professional liability insurance policy.
- We represented Kansas City Power & Light Company in litigation over coverage for property damage caused by a boiler explosion.