

## Insurance and Reinsurance Litigation

Insurance litigation has long been, and remains, a hallmark of Cahill's litigation practice. Cahill has been on the front lines of high-stakes insurance and reinsurance disputes for decades, settling, litigating or arbitrating billions of dollars of extraordinary insurance and reinsurance claims for clients that include, among others, AIG/Chartis, Arch, XL, Zurich, Global Re, Ironshore and Swiss Re. *Chambers USA* has consistently ranked Cahill in the top handful of insurance practices in New York and nationwide, and in 2015 named Cahill as "Insurance Team of the Year." Cahill is also nationally ranked and was named "Team of the Year" in the United States for 2014 by *The Legal 500*, and is "highly recommended" by *Benchmark Litigation*.

All of our insurance litigators grew up as serious commercial, antitrust, and securities litigators, and most continue their involvement in Cahill's general litigation practice. This unique approach permits us to combine deep experience-based insurance knowledge with a level of breadth and judgment unavailable to those who litigate only insurance matters.

We routinely advise on coverage and litigate the most complex and high-value insurance and reinsurance claims, from ordinary (if high dollar) casualty business to asbestos, to environmental (both legacy and PLL), to D&O and other financial lines, to trade and political risk and beyond. We handle arbitrations, trials, and appeals.

But we not only litigate claims and coverage; we also advise and litigate broadly on behalf of insurance *companies*. MGA disputes, antitrust advice and litigation, insurance-related securities litigation — all are core parts of our litigation practice, and have been for years. The range and scope of our practice reflect the increasing complexity of the business of insurance and the business of insurers.

### **Recent highlights include:**

- Prevailed on behalf of the ceding company in the New York Appellate Division in one of the very few cases to apply follow-settlements to a coverage-in-place agreement.
- Won dismissal of all claims against XL Capital in a shareholder class action alleging fraud with respect to disclosures concerning financial guarantee products and, separately, obtained and had affirmed on appeal dismissal of all claims against XL Capital in litigation challenging disclosures concerning loss reserve strengthening.
- Having handled numerous trade credit and political risk matters over the years, both direct and reinsurance, we are seeing an upswing of claims activity as the events of 2008 move through the financial world and into the insurance world:
  - obtained dismissal (in part in the trial court and in part on appeal) on behalf of the insurer of a \$103 million political risk claim bought by the servicer of securitized loans on Mexican hotel properties, and
  - on two separate occasions, obtained rescission of trade credit policies on the basis of fraudulent claims relating to Latin American debt, and thereafter

- obtained dismissal of a \$42 million suit by a Dutch bank seeking non-policy recovery in connection with one of the trade credit frauds.
- In the current regulatory environment, we are leading internal investigations and advising our insurance clients on the best response to government inquiries, including grand jury representation and representation of insurers and reinsurers in connection with the investigation by the New York Attorney General's Office into broker compensation issues and alleged bid-rigging.

Clients appreciate our results-oriented approach and our ability to restructure claims without litigation. We also have an excellent track record in obtaining favorable settlements in London arbitrations, recovering retroceded losses, arbitration costs and lost interest in matters involving multiple stakeholders and complex layers of coverage. Cahill's insurance lawyers are ranked among the top practitioners in the United States, in part based on comments by sources who said "*They have some of the smartest lawyers in the business.*" (*Chambers USA, 2015*).

CAHILL GORDON & REINDEL LLP