

Insurance



As counsel to some of the most significant players in the insurance and reinsurance industries, we are able to efficiently diagnose and predictively coordinate novel solutions to our clients' greatest legal concerns. We have represented insurers and reinsurers in pioneering claims that recovered billions of dollars in precedent-setting coverage disputes. We have also successfully helped clients navigate complex, bet-the-company litigations, including scores of matters involving breaches of representations and warranties in state and federal courts, as well as arbitration.

Unlike many law firms that have corporate practices, we can be, and frequently are, adverse to Wall Street banks. Our attorneys set the standard for RMBS and related putback litigation following the 2008 financial crash, obtaining several of the largest recoveries and settlements ever achieved for clients. We have also represented hedge funds, private equity funds and trustees, as well as monoline insurers in landmark victories in the New York state and federal courts, as well as the Delaware Chancery Court.

Our representative engagements include:

- **Transamerica**, one of the largest U.S. insurance companies, in connection with potential claims by the Securities Exchange Commission arising out of certain funds managed by entities associated with Transamerica. The matter was successfully resolved without litigation.
- **Markel CATCo**, a Bermuda-based reinsurance company, in connection with various claims arising out of certain catastrophe reinsurance transactions. One of these cases is currently pending before the Delaware Court of Chancery.
- **Stonegate Insurance**, in a claim against Fletcher Reinsurance alleging bad faith refusal to pay reinsurance claims.
- **CIFG**, a monoline insurer, against Goldman Sachs and JPMorgan (as successor to Bear Stearns) in separate actions for fraud in connection with certain collateralized debt obligations created by defendants in 2006-07. We obtained a substantial arbitration award against Goldman Sachs, and a related lawsuit in the New York Commercial Division was subsequently settled on terms that allowed CIFG to recover 40% of its losses. The action against JPMorgan survived a motion to dismiss before Justice Friedman in the New York Commercial Division and was subsequently settled on favorable terms.
- **National Public Finance Guarantee** and **MBIA Insurance Corporation**, a monoline insurer, in a lawsuit to hold eight major Wall Street banks accountable for inequitable conduct that contributed to Puerto Rico's economic collapse. Plaintiffs in this case are bond insurers that have been presented with, and fully honored, over \$1 billion dollars in claims after the municipal debt underwritten by the banks— without proper due diligence or disclosures— became unsustainable for Puerto Rico and its agencies, leading to massive defaults.
- **MBIA**, a monoline insurer:

- Against Bank of America, Countrywide, and related entities in litigation in New York state court arising out of securitization insurance. Secured series of rulings, including crucial ruling at summary judgment that set the basic framework for RMBS litigation nationwide, ultimately allowing MBIA to survive as a going concern and to achieve a multi-billion dollar settlement including the commutation of \$7.4 billion in swaps.
- In New York Supreme Court, in obtaining confidential settlement in multi-billion-dollar action concerning credit default swaps and financial guaranties written by Merrill Lynch on CDOs.
- **Assured Guaranty Municipal Corp.**, a monoline insurer, in various lawsuits in the Southern District of New York and the New York Commercial Division alleging fraud and breach of contract in connection with Assured's provision of financial guaranty insurance on certain residential mortgage-backed securities. All of these cases survived motions to dismiss and were subsequently settled on terms that allowed Assured to recover most of its losses.
- Two monoline insurers, **Syncora** and **Assured**, directing the US Bank trustee against a mortgage originator in a breach of reps and warranties action in the New York Commercial Division before Justices Friedman and Scarpulla, culminating in a successful settlement in December 2017, recovering more than 50% of losses.
- **AIG**, a multinational finance and insurance company:
 - In Article 77 proceedings initiated by RMBS trustees over the distribution methodology of a \$8.5 billion settlement with Bank of America and a \$4.5 billion settlement with JPMorgan.
 - In claims against Wall Street sponsors of RMBS, achieving over \$2 billion in recoveries.
 - In a dispute with former AIG CEO Maurice Greenberg, C.V. Starr & Co., Inc. and its affiliates in arbitration and federal and state actions concerning ownership of \$1 billion+ in insurance and reinsurance business, as well as issues concerning trademarks and corporate governance.
 - In a major RICO, fraud, and contract case before Judge Rakoff against Coventry, a life settlement policy company, in securing a dismissal of all claims against AIG, and a favorable post-trial settlement of AIG's contract, fraud, and RICO claims against Coventry.
 - Through subsidiary AISLIC, in a significant matter before the New York Court of Appeals regarding when an arbitration tribunal has authority to revisit a partial final award.
- **CIGNA Healthcare**, a global health insurance service company, in defense against a \$100 million ERISA, RICO suit, and breach-of-contract suit. Won a summary judgment dismissing all claims brought by the North Cypress Medical Center alleging the underpayment of network reimbursements.
- **CIGNA Healthcare**, in defense against an over-\$1 billion ERISA, antitrust, and RICO suit. Won rulings dismissing provider plaintiffs and refusing class certification for subscribers alleging misuse of database for reimbursement of out-of-network claims.
- Successfully arguing to the New York Court of Appeals in **a class action on behalf of hundreds of thousands of New York City public employees and retirees** that New York's consumer protection law covers misrepresentations regarding the scope of coverage in an insurer's marketing materials.
- **National Union Fire Insurance Company of Pittsburgh, PA**, a subsidiary of AIG, in an appeal currently before the New York Court of Appeals regarding whether a \$160 million SEC disgorgement order issued against Bear Stearns constitutes an insurable event.
- **The Department of Insurance**, as New York Solicitor General, before the New York Court of Appeals in a challenge to a state insurance regulation.
- **Lockton**, the world's largest independent insurance brokerage, in multiple employment disputes.
- **MassMutual**, one of the largest U.S. insurance companies, in a corporate governance suit arising out of its investment in Scottish Re, twice achieving dismissal of all claims with both rulings successfully upheld on appeal.
- **Connecticut General Life Insurance Co.**, a managed care company: as the defendant in a suit seeking \$1 billion in damages, successfully secured dismissal of antitrust and RICO claims regarding payment of out-of-network benefits, and also obtained the denial of class certification

for ERISA claims brought by plan subscribers; and in clawback litigation brought by the Madoff Trustee. After years of litigation, settled the Trustee's claims for pennies on the dollar and a cross-claim against a purportedly indemnified third party.