

Peabody & Arnold Prevails on an Insurance Coverage Case

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By Peabody & Arnold on April 30, 2014

Partner Allen David and Associate Jane Horne obtained a summary judgment ruling in favor of its client, an international liability insurer. The issue was whether a primary insurer had to offer its policy limits when liability was reasonably clear, but where the plaintiff would not release the insureds. The plaintiff had argued that he did not have to release the primary insurer where there was excess insurance and where he agreed that he would collect a judgment only from the excess insurer. The court disagreed, holding that an insurer who is paying its policy limits is entitled to condition the payment on a release of its insureds regardless of whether there is excess insurance.