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James J. Rodgers

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Litigation



Dilworth Paxson successfully represented Certain Underwriters at Lloyds' and Company in a coverage matter that resulted in an important decision by the Supreme Court of Pennsylvania. Lloyds had denied coverage under a claims-made Errors and Omissions Policy. The claimant, Ace American Insurance Company, sued for coverage and bad faith. After a two week trial, a jury ruled in Lloyds' favor, finding that Ace had neither timely reported the claim nor reasonably evaluated the likelihood of the claim triggering Lloyds' coverage. Dilworth Paxson was trial counsel and represented Lloyds' throughout the entire appeal process.

The Superior Court and the Supreme Court both affirmed the trial court's pretrial determinations and the jury's verdict in their entirety. As a result of this case, Pennsylvania Appellate Courts have clearly held for the first time that claims-made policies merit different analysis in coverage denials, which is a significant departure from the notice prejudice standard previously articulated by the Pennsylvania Supreme Court in *Brakeman*.