

# *Volume 1 Table of Contents*

A COMPLETE SYNOPSIS FOR EACH CHAPTER APPEARS AT  
THE BEGINNING OF THE CHAPTER

## **Chapter 1**

### **WHAT IS INSURANCE?**

---

- § 1.01 Risk and the Benefits of Insurance
- § 1.02 A Brief History of Insurance
- § 1.03 Defining Insurance
- § 1.04 Sources of Insurance Law
- § 1.05 Insurance Law's Fundamental Concepts and Assumptions
- § 1.06 Key Phrases and Terms of Art
- § 1.07 Structure and Contents of an Insurance Policy
- § 1.08 Classifications of Insurance
- § 1.09 "Stretching" the Definition of Insurance

## **Chapter 2**

### **AGENTS AND BROKERS**

---

- § 2.01 Insurance Agents and Brokers Are an Important Method of Distribution of Insurance Products
- § 2.02 Licensing Requirements
- § 2.03 Intermediaries' Classification Affects Their Duties
- § 2.04 Insurers' Generally May Terminate Agency Relationships At-Will
- § 2.05 Intermediaries' Liability to Insureds
- § 2.06 Intermediaries' Liability to Insurers
- § 2.07 Intermediaries' Liability to Third Parties
- § 2.08 Expert Testimony in Insurance Agent and Broker Cases
- § 2.09 Reinsurance Intermediaries

## **Chapter 3**

### **THE CONTRACTUAL RELATIONSHIP**

---

- § 3.01 Creating the Contractual Relationship
- § 3.02 Oral Contracts
- § 3.03 Binders
- § 3.03A Certificates of Insurance
- § 3.04 Contract Terms Not Included in the Policy Forms
- § 3.05 Delivery of the Policy
- § 3.06 Legality of the Contract
- § 3.07 Renewal and Reinstatement
- § 3.08 Concluding the Contractual Relationship
- § 3.09 Group Insurance

---

## *Volume 1 Table of Contents*

---

### **Chapter 4            CLAIMS PROCESSING**

---

- § 4.01            Introduction
- § 4.02            Sources of Law
- § 4.03            Claim Adjusters
- § 4.04            Providing Notice of a Claim
- § 4.05            Insurer's Duty to Respond to Notice of the Claim
- § 4.06            Claim Investigation
- § 4.07            Consequences of Violating Claim-Handling Obligations

---

### **Chapter 5            INSURANCE POLICY INTERPRETATION**

---

- § 5.01            Insurance Policies as Contracts
- § 5.02            *Contra Proferentem* and Ambiguity
- § 5.03            Canons of Construction
- § 5.04            Relationship Between Law and Facts
- § 5.05            Reasonable Expectations Doctrine
- § 5.06            Public Policy Influence on Interpretation
- § 5.07            Waiver and Estoppel
- § 5.08            Sophisticated Insureds

---

### **Chapter 6            CHOICE OF LAW**

---

- § 6.01            Choice of Law May Be Controlled by the Terms and Conditions of the Policy
- § 6.02            In the Absence of an Enforceable Choice of Law Provision in the Policy, the Choice of Law Analysis Varies by Jurisdiction
- § 6.03            Statutory Provisions May Dictate Choice of Law in Certain Cases
- § 6.04            Impact of Governing Law on Insurance Litigation
- § 6.05            Bad Faith Claims and Choice of Law
- § 6.06            Establishing the Law of a Foreign Jurisdiction
- § 6.07            International Choice of Law Issues

---

### **Chapter 7            DISPUTE RESOLUTION**

---

- § 7.01            Determining the Issues in Dispute
- § 7.02            Settlement of Coverage Disputes
- § 7.03            Arbitration of Coverage Disputes
- § 7.04            Mediation of Coverage Disputes
- § 7.05            Litigation of Coverage Disputes—Declaratory Relief Actions
- § 7.06            Litigation of Coverage Disputes—Breach of Contract Actions

---

*Volume 1 Table of Contents*

§ 7.07                    **Litigation of Coverage Disputes—Issues Common to Declaratory Relief  
and Breach of Contract Actions**

**Index**

# *Volume 2 Table of Contents*

A COMPLETE SYNOPSIS FOR EACH CHAPTER APPEARS AT  
THE BEGINNING OF THE CHAPTER

## **Chapter 8 THE FRAMEWORK OF INSURANCE REGULATION**

---

- § 8.01 History of Insurance Regulation
- § 8.02 Insurance Regulatory Framework
- § 8.03 Judicial Review of and Limitations on Regulatory Powers
- § 8.04 Regulation of Domestic Insurers Compared to Foreign Insurers
- § 8.05 The National Association of Insurance Commissioners (“NAIC”)
- § 8.06 The National Conference of Insurance Legislators (“NCOIL”)
- § 8.07 Federal Government Involvement in Regulation of the Insurance Industry
- § 8.08 State-Sponsored Insurers

## **Chapter 9 LICENSING OF INSURERS**

---

- § 9.01 Formation of an Insurance Company
- § 9.02 History and Purpose of Licensing of Insurers
- § 9.03 NAIC Model Act for Licensure and Admissions
- § 9.04 Variations in Licensing by Type of Insurer
- § 9.05 Reciprocal Recognition and Multi-State Arrangements
- § 9.06 Regulatory Authority and Duties of Admitted Insurers
- § 9.07 Revocation and Suspension of Licenses
- § 9.08 Enforcement Actions for Unlicensed Activity
- § 9.09 Regulation of Nonadmitted Market / Surplus Lines
- § 9.10 Role of Federal Regulation

## **Chapter 10 REGULATION OF POLICY FORMS**

---

- § 10.01 History and Purpose of Policy Form Regulation
- § 10.02 Overview of Regulatory Requirements That Apply to Policy Forms
- § 10.03 Standards for Policy Form Requirements
- § 10.04 Form Filing Requirements
- § 10.05 Policy Content and Other Form Requirements
- § 10.06 Exceptions to Policy Form Filing Requirements
- § 10.07 Relationship Between Federal Insurance Programs and State Regulation
- § 10.08 The Future of Form Regulation

---

## *Volume 2 Table of Contents*

<b>Chapter 11</b>	<b>REGULATION OF RATES AND RISK CLASSIFICATION</b>
§ 11.01	Background on Insurance Risk Pooling in a Common Fund
§ 11.02	Rating Laws
§ 11.03	Risk Classification and Unfair Discrimination
§ 11.04	Rebating Laws: Prohibiting Traditional Back-And-Forth Bargaining
<b>Chapter 12</b>	<b>STATE INSURANCE PREMIUM AND OTHER INSURANCE TAXES</b>
§ 12.01	History and Nature of State Insurance Premium Tax
§ 12.02	State Insurance Premium Tax Base and Rates
§ 12.03	Credits, Deductions, and Offsets Against State Insurance Premium Tax Liabilities
§ 12.04	State Insurance Premium Tax Returns and Payments
§ 12.05	Use of Insurance Premium Tax Revenues
§ 12.06	Insurance Arrangements Designed to Reduce State Insurance Premium Tax
§ 12.07	City, County, and Municipality Insurance Premium Taxes
§ 12.08	Firefighters' Pension Funds and Similar Taxes on Insurance Premiums
§ 12.09	State Insurance Retaliatory Taxes
§ 12.10	Surplus Lines Insurance Taxation
§ 12.11	State Direct Independent or Self-Procurement of Insurance Tax
§ 12.12	Constitutionality of State Taxation of Non-Admitted Insurers
§ 12.13	Federal Excise Tax on Insurance Premiums
<b>Chapter 13</b>	<b>MARKET CONDUCT REGULATION</b>
§ 13.01	Overview
§ 13.02	Regulation and the Insurance Marketplace
§ 13.03	Federal Regulation of Market Conduct
§ 13.04	State Regulation of Market Conduct
§ 13.05	Defined Unfair Insurance Trade Practices
§ 13.06	Private Causes of Action and Civil Remedies Based on Regulation
<b>Chapter 14</b>	<b>INSURANCE SOLVENCY REGULATION</b>
§ 14.01	Basis for Insurance Solvency Regulation
§ 14.02	Financial Rating of Insurers
§ 14.03	NAIC Model Laws, Regulations, and Guidelines
§ 14.04	Financial Surveillance Tools to Determine an Insurer's Financial Strength

---

## *Volume 2 Table of Contents*

- § 14.05 Insurance Solvency Intervention
- § 14.06 The Future of State Insurance Solvency Regulation

---

### **Chapter 15 REGULATION OF INSURANCE INTERMEDIARIES**

---

- § 15.01 History and Purpose of Insurance Intermediary Regulation
- § 15.02 Types of Insurance Intermediaries
- § 15.03 NAIC Model Laws
- § 15.04 Multi-State Cooperation and Reciprocity
- § 15.05 Federal Regulation of the Business of Insurance

### **Index**

# *Volume 3 Table of Contents*

A COMPLETE SYNOPSIS FOR EACH CHAPTER APPEARS AT  
THE BEGINNING OF THE CHAPTER

## **Chapter 16 INTRODUCTION TO LIABILITY INSURANCE**

---

- § 16.01 A Brief Sketch of the History of Insurance
- § 16.02 Types of Liability Coverage
- § 16.03 Initiating Coverage
- § 16.04 The Tripartite Relationship Among the Insured, the Insurer and Insurer-Directed Defense Counsel
- § 16.05 Who Is an Insured
- § 16.06 Duties to Defend and Indemnify
- § 16.07 Nature of General Liability Coverage
- § 16.08 Insured's Representations and Warranties
- § 16.09 Policy Form
- § 16.10 Obtaining Coverage When the Insurer Refuses
- § 16.11 Insurer Recoupment of Noncovered Settlements and Defense Costs
- Appendix 16-A Jurisdictions Recognizing Dual-Client Status in the Tripartite Relationship

## **Chapter 17 DUTY TO DEFEND**

---

- § 17.01 Triggering the Duty to Defend
- § 17.02 An Insurer That Is Precluded From Directing the Defense Must Pay the Reasonable and Necessary Costs of Independent Defense Counsel
- § 17.03 The Duty to Defend and Policy Limits
- § 17.04 Applicability of the Attorney-Client Privilege to Communications Between the Insurer and Insured
- § 17.05 Effect of Developments in the Underlying Action on the Duty to Defend
- § 17.06 Termination of the Duty to Defend by Exhaustion or Settlement
- § 17.07 Consequences of the Breach of the Duty to Defend
- § 17.08 Bad Faith and the Duty to Defend

## **Chapter 18 DUTY TO INDEMNIFY—BODILY INJURY AND PROPERTY DAMAGE**

---

- § 18.01 Establishing the Duty to Indemnify
- § 18.02 The Coverage A Insuring Agreement
- § 18.03 Exclusions Under Coverage A of a Standard CGL Policy

---

## *Volume 3 Table of Contents*

---

### **Chapter 19            DUTY TO INDEMNIFY—PERSONAL AND ADVERTISING INJURY**

---

- § 19.01            What Is Personal Injury and Advertising Injury?
- § 19.02            The Insuring Agreement
- § 19.03            Typical Exclusions to Coverage
- § 19.04            Personal Injury
- § 19.05            Advertising Injury
- § 19.06            Intellectual Property Rights and Competitive Injuries
- § 19.07            Other Coverage-Related Issues

---

### **Chapter 20            CONDITIONS AND INSURED'S DUTIES**

---

- § 20.01            An Insured Has a Duty to Notify the Insurer of Losses and Claims
- § 20.02            The Insured Has a Duty to Cooperate With the Insurer's Investigation of the Loss and Defense of Liability Claims
- § 20.03            "Suit-Limitation" Clauses in First-Party Property Policies
- § 20.04            Consent to Incur Defense Costs, Consent-to-Settle, and "Voluntary Payments" Clauses
- § 20.05            The Insured Has a Duty Not to Impair the Insurer's Rights of Subrogation
- § 20.06            Policy Provisions That Impose a Duty to Preserve and Protect Property
- § 20.07            The Insured Has a Duty to Pay the Policy Premium

---

### **Chapter 21            ENDORSEMENTS AND SUPPLEMENTAL COVERAGES**

---

- § 21.01            Endorsements and Riders as Parts of an Insurance Policy
- § 21.02            Typical Functions of Endorsements
- § 21.03            Interpretation of Endorsements

---

### **Chapter 22            ALLOCATION OF COVERAGE**

---

- § 22.01            When Allocation Is Required
- § 22.02            Purpose and Application of "Other Insurance" Clauses
- § 22.03            Commonly Adopted Means of Allocation
- § 22.04            Treatment of Gaps in Coverage
- § 22.05            Special Issues in Allocation
- § 22.06            Effect of Allocation on Umbrella and Excess Insurance
- § 22.07            Insurers' Re-allocation, Subrogation, Contribution and Other Rights

---

## *Volume 3 Table of Contents*

### **Chapter 23**

### **BAD FAITH IN LIABILITY INSURANCE**

---

- § 23.01            **Liability Insurance, Policy Limits, and the Development of the Duty to Settle**
- § 23.02            **Insurer Has Duty to Make Reasonable Settlements**
- § 23.03            **Relevance of Insured's Conduct to Duty to Settle**
- § 23.04            **Insurer's Right to Settle**
- § 23.05            **An Insurer Usually Has No Duty to a Third-Party Claimant to Settle the Claim Against the Insured**
- § 23.06            **Must or May Insurer Advance Payments to Claimant Without Obtaining Release?**
- § 23.07            **Duties and Rights of Excess Insurers**
- § 23.08            **Excess Judgments and Appeal Bonds**
- § 23.09            **Damages for Breach of the Duty to Settle**
- § 23.10            **Punitive Damages for Breach of the Duty to Settle**
- § 23.11            **Insurer Recoupment of Noncovered Settlements and Defense Costs**

### **Index**

# *Volume 4 Table of Contents*

A COMPLETE SYNOPSIS FOR EACH CHAPTER APPEARS AT  
THE BEGINNING OF THE CHAPTER

<b>Chapter 24</b>	<b>EXCESS INSURANCE AND UMBRELLA COVERAGE</b>
§ 24.01	Introduction
§ 24.02	Characterizing Liability Insurance Policies: Primary, Excess and Umbrella
§ 24.03	Notice of Loss Requirements in Excess and Umbrella Policies
§ 24.04	Understanding Excess and Umbrella Insurers' Defense Obligations
§ 24.05	The Duty of Good Faith and Fair Dealing in Excess Insurance
§ 24.06	Exhaustion of Underlying Coverage
§ 24.07	Allocating Losses Among Multiple Excess Policies
§ 24.08	Legal Malpractice Suits by Excess Insurers Against Defense Counsel Hired by Primary Insurers
§ 24.09	Conclusion
<b>Chapter 25</b>	<b>ERRORS AND OMISSIONS INSURANCE</b>
§ 25.01	Defining Errors and Omissions Insurance
§ 25.02	Initiating Coverage
§ 25.03	Determining Whether Coverage Is Provided in the E&O Policy
§ 25.04	Other Insurance Clauses
§ 25.05	Consent to Settle (Hammer) Clause
§ 25.06	Commonly Litigated Exclusions
§ 25.07	Insuring Specific Professions
<b>Chapter 26</b>	<b>DIRECTORS AND OFFICERS INSURANCE</b>
§ 26.01	Director and Officer Liability—An Introduction
§ 26.02	Claims-Made Nature of D&O Insurance Makes Renewal of the Policies Essential
§ 26.03	The Application and Rescission
§ 26.04	The Amount of D&O Coverage and Related Matters
§ 26.05	The Insuring Clauses
§ 26.06	Definitions
§ 26.07	Exclusions
§ 26.08	Conditions
§ 26.09	Excess Policies
§ 26.10	Side A Policies

---

## *Volume 4 Table of Contents*

### **Chapter 27**

### **ENVIRONMENTAL INSURANCE**

---

- § 27.01 Coverage for Environmental Liabilities Under Commercial General Liability (“CGL”) Policies
- § 27.02 Environmental Insurance Under First-Party Property Policies
- § 27.03 Coverage for Environmental Liabilities Under Modern Environmental Liability Insurance (“ELP”)
- § 27.04 The Emergence of “Green Insurance”

### **Chapter 28**

### **EMPLOYMENT PRACTICES LIABILITY INSURANCE**

---

- § 28.01 Introductory Matters
- § 28.02 The Risks Insured Under Employment Practices Liability Insurance
- § 28.03 The Claims-Made Nature of the Employment Practices Liability Insurance
- § 28.04 Limitations on Risks Insured Under Employment Practices Liability Insurance
- § 28.05 Provision of a Defense Under Employment Practices Liability Insurance
- § 28.06 Common Conditions Under Employment Practices Liability Insurance
- § 28.07 The Majority Rule—Material Misrepresentation Constitutes Grounds for the Insurer to Rescind the Policy

### **Chapter 29**

### **CYBER-RISK INSURANCE**

---

- § 29.01 Overview of Risks Related to Cyber-Commerce and Potential Sources of Coverage
- § 29.02 Whether Loss of Electronic Data or Software, or Consequent Loss of Use of Hardware, Falls Within the Scope of Standard Form First- and Third-Party Policies
- § 29.03 Coverage Issues Under First-Party Policies
- § 29.04 Coverage Issues Under Third-Party Policies
- § 29.05 Emerging Coverage Issues

### **Chapter 30**

### **INTELLECTUAL PROPERTY INSURANCE**

---

- § 30.01 Overview
- § 30.02 Evaluating Intellectual Property Claims Under Liability Insurance Policies
- § 30.03 Commercial General Liability Coverage for Intellectual Property Lawsuits—Advertising Injury Provisions
- § 30.04 Copyright Infringement
- § 30.05 Patent Infringement
- § 30.06 Trademark Infringement

---

## *Volume 4 Table of Contents*

- § 30.07 Trade Secret Misappropriation
- § 30.08 Pertinent Exclusions in the CGL Policy
- § 30.09 Cyberspace, Directors & Officers, and Errors & Omissions “Claims-Made” Policies

---

### **Chapter 31 MEDIA LIABILITY INSURANCE**

---

- § 31.01 History of Media Liability Insurance
- § 31.02 General Policy Provisions
- § 31.03 Insurer’s Duties to Defend, Indemnify and Settle Claims
- § 31.04 Policy Exclusions
- § 31.05 Conditions of Coverage
- § 31.06 Cast Insurance as Ancillary Coverage

---

### **Chapter 32 MERGERS AND ACQUISITIONS INSURANCE**

---

- § 32.01 Transactional Insurance Products
- § 32.02 Representation and Warranty Insurance
- § 32.03 Tax Liability Insurance
- § 32.04 Litigation Buyout Insurance
- § 32.05 Non-M&A Applications of Transactional Insurance Products

---

### **Chapter 33 LAW ENFORCEMENT LIABILITY INSURANCE**

---

- § 33.01 Introduction to Law Enforcement Liability
- § 33.02 The “Innocence Revolution”—A Multi-Billion Dollar Bet
- § 33.03 There Are Several Types of Insurance Policies Commonly Purchased by Law Enforcement
- § 33.04 LEL Policies Are Different Than CGL Policies, and Were Created to Ensure Against the Specific Risks Faced by Law Enforcement Officers
- § 33.05 Public Officer Liability (“POL”) Policies Were Created to Insure Against the Specific Risks Faced by Law Enforcement Officials
- § 33.06 “Trigger of Coverage” Theories May Apply to Coverage Claims Under Policies With Injury-Based Insuring Agreements
- § 33.07 Almost Every Decision Analyzing Coverage for Claims in Innocence Cases Involves Only CGL Policies, and Even Under CGL Policies There Are More Open Questions Than Answers
- § 33.08 Defense Acts May Play a Role in Coverage Determination
- § 33.09 State Tort Caps Are Inapplicable to Federal Civil Rights Claims
- § 33.10 Additional Damages

---

*Volume 4 Table of Contents*

**Chapters 34–40    RESERVED**

---

**Index**

# *Volume 5 Table of Contents*

A COMPLETE SYNOPSIS FOR EACH CHAPTER APPEARS AT  
THE BEGINNING OF THE CHAPTER

---

## **Chapter 41           INTRODUCTORY MATTERS IN PROPERTY INSURANCE**

---

- § 41.01           Origins and Types of Commercial Property Insurance
- § 41.02           Preliminary Issues
- § 41.03           Obtaining Coverage: The Application Process
- § 41.04           The Effect of the Insured's Representations in the Application
- § 41.05           Who Is Insured
- § 41.06           Initiating Coverage: Notice of Claim and Proof of Loss
- § 41.07           Insurer's Response to Notice of Claim
- § 41.08           Other Key Considerations Under Commercial Property Policies
- § 41.09           Terminating, Cancelling or Renewing Coverage Under a Property Policy

---

## **Chapter 42           DETERMINING COVERAGE IN PROPERTY INSURANCE POLICIES**

---

- § 42.01           Named Perils
- § 42.02           Non-Excluded Perils
- § 42.03           Covered Property
- § 42.04           Coverage for Loss of Use

---

## **Chapter 43           EXCLUSIONS IN PROPERTY INSURANCE POLICIES**

---

- § 43.01           Distinction Between Exclusions Applicable to All Property and Those  
Applicable to Real Property and Improvements
- § 43.02           Exclusions Applicable to All Property
- § 43.03           Exclusions Applicable to Real Property and Improvements (Including  
Applicable Exceptions)

---

## **Chapter 44           THE CAUSATION QUESTION IN PROPERTY INSURANCE**

---

- § 44.01           Overview
- § 44.02           Causation Terminology and Approaches
- § 44.03           Multiple Causes
- § 44.04           Anti-Concurrent Cause Clauses
- § 44.05           Ensuing Loss Clauses
- § 44.06           Procedural Aspects of Causation
- § 44.07           Illustrations of Causation Problems

---

## *Volume 5 Table of Contents*

---

### **Chapter 45      ADDITIONAL AND SUPPLEMENTAL PROPERTY INSURANCE COVERAGES**

---

- § 45.01      Debris Removal
- § 45.02      Protection and Preservation of Property
- § 45.03      Demolition and Increased Cost of Construction (a/k/a Ordinance and  
Law)
- § 45.04      Coverage for the Cost of Preparing A Claim (Loss Assessment Costs/  
Professional Fees)
- § 45.05      Fire Department Charges
- § 45.06      Collapse
- § 45.07      Coverage for Fungus and Mold
- § 45.08      Flood and Water Damage Coverage
- § 45.09      Electronic Data
- § 45.10      Replacement Cost for Personal Property
- § 45.11      Consequential Loss
- § 45.12      Terrorism

---

### **Chapter 46      TIME ELEMENT (BUSINESS INTERRUPTION) INSURANCE**

---

- § 46.01      General Purpose of Time Element Insurance
- § 46.02      Three Basic Forms of Time Element Coverage
- § 46.03      Business Interruption Coverage
- § 46.04      Extra Expense Coverage
- § 46.05      Coverage Enhancements and Extensions
- § 46.06      Special Exclusions From Business Interruption Coverage
- § 46.07      The Period of Recovery
- § 46.08      The Measure of Recovery
- § 46.09      The Period of Recovery and the Quantum of Loss Are Issues of Fact

---

### **Chapter 47      CALCULATING THE AMOUNT OF PROPERTY INSURANCE COVERAGE**

---

- § 47.01      Determining the Policy “On The Risk”—“Trigger” of Coverage
- § 47.02      The Claims Process—Typical Conditions
- § 47.03      The Insured’s Share of the Loss
- § 47.04      Actual Cash Value Coverage
- § 47.05      Repair or Replacement Cost
- § 47.06      Appraisals to Determine the Amount of the Loss
- § 47.07      Coverage for Overhead, Profit, Taxes and Other Miscellaneous  
Expenses
- § 47.08      Coverage for Professional Fees

---

## *Volume 5 Table of Contents*

- § 47.09 Stated Value Coverage
- § 47.10 Policy Limits
- § 47.11 Recovered Property and Salvage
- § 47.12 Multiple Insurers

---

### **Chapter 48 PROPERTY INSURANCE DISPUTE RESOLUTION**

---

- § 48.01 General Description of First-Party Recovery Process
- § 48.02 Public Adjusters
- § 48.03 Pre-litigation Dispute Resolution
- § 48.04 Litigation
- § 48.05 Res Judicata and Merger of Judgment Issues
- § 48.06 Statutory Penalties and Bad Faith

---

### **Chapter 49 THE RIGHT OF SUBROGATION**

---

- § 49.01 Introduction to Subrogation
- § 49.02 Subrogation Rights
- § 49.03 Limitations on Subrogation Rights
- § 49.04 Defenses Applicable to an Insurer's Subrogation Claims
- § 49.05 Consequences of Impairing an Insurer's Subrogation Rights and a Policyholder's Duty to Preserve Them
- § 49.06 Common Situations Involving Subrogation
- § 49.07 Avoiding Subrogation Claims
- § 49.08 Enforcing Subrogation Rights

---

### **Chapter 50 BUILDERS RISK INSURANCE**

---

- § 50.01 Introductory Matters
- § 50.02 Policy Structure
- § 50.03 Coverage Extensions

---

### **Chapter 51 BOILER AND MACHINERY INSURANCE**

---

- § 51.01 Purpose and Evolution of Boiler and Machinery Insurance
- § 51.02 Separate Insurance for Boilers and Machinery
- § 51.03 Determining Coverage for Property Damage Under Standard Boiler and Machinery Policies
- § 51.04 Determining Coverage for Losses Other Than Property Damage Under Boiler and Machinery Policies
- § 51.05 Exclusions and Limitations on Boiler and Machinery Coverage

---

## *Volume 5 Table of Contents*

- § 51.06           Determining Coverage for Boiler and Machinery Losses Under Commercial All-Risk Policies
- § 51.07           Determining Coverage When Both All-Risk and Boiler and Machinery Policies May Apply
- § 51.08           Valuation Issues for Boiler and Machinery Insurance

---

### **Chapter 52           INLAND MARINE INSURANCE**

---

- § 52.01           Introductory Matters
- § 52.02           Determining Coverage
- § 52.03           Valuation Issues

---

### **Chapter 53           HOMEOWNER'S INSURANCE**

---

- § 53.01           Introductory Matters
- § 53.02           Real and Personal Property Covered by the Typical Homeowner's Insurance Policy
- § 53.03           Supplemental Coverages and Endorsements
- § 53.04           Causation and Exclusions
- § 53.05           Calculating the Amount of Coverage
- § 53.06           Liability Coverage
- § 53.07           Dispute Resolution
- § 53.08           Subrogation

---

### **Chapter 54           TITLE INSURANCE**

---

- § 54.01           Title Insurance Covers Loss Due to Defects in Real Property Ownership and Security Interests
- § 54.02           The Insured
- § 54.03           Continuation of Insurance
- § 54.04           Covered Risks Common to Owner's and Loan Policies
- § 54.05           Additional Covered Risks in Loan Policies
- § 54.06           Common Coverage Exclusions
- § 54.07           Transaction-Specific Exceptions From Coverage
- § 54.08           Insurer's Liability for Covered Loss
- § 54.09           Date for Calculating Insured Loss
- § 54.10           Insured's Claim Obligations
- § 54.11           Insurer's Duty to Defend

---

## *Volume 5 Table of Contents*

<b>Chapter 55</b>	<b>BAD FAITH IN THE CONTEXT OF FIRST-PARTY INSURANCE</b>
§ 55.01	First-Party Insurance and Development of Extracontractual Remedies
§ 55.02	Reasons for Expanded But Not Overbroad Liability for First-Party Bad Faith
§ 55.03	Definitions of First-Party Bad Faith
§ 55.04	Investigation
§ 55.05	Benefits Not Subject to Bona Fide Dispute Must Be Paid Promptly and Unconditionally
§ 55.06	Bad Faith Without Coverage
§ 55.07	In Some Jurisdictions, an Insurer Has a Duty to Inform the Insured About Benefits That Are or May Be Due
§ 55.08	No Duty of Good Faith Applies to Sale or Renewal of Insurance Policy
§ 55.09	Bad Faith During Coverage Litigation

---

<b>Chapter 56</b>	<b>CROP INSURANCE</b>
-------------------	-----------------------

---

§ 56.01	Introduction
§ 56.02	The Risks of Agricultural Production
§ 56.03	The History of Crop Insurance
§ 56.04	The Current Regulatory Framework for Crop Insurance
§ 56.05	Types of Crop Insurance Policies
§ 56.06	Crop Insurance and National Agriculture Policy
Appendix 56-A	Crop Insurance Policy Coverage Explanation By Risk Management Agency
Appendix 56-B	Bibliography

---

<b>Chapters 57–60</b>	<b>RESERVED</b>
-----------------------	-----------------

---

### **Index**

# *Volume 6 Table of Contents*

A COMPLETE SYNOPSIS FOR EACH CHAPTER APPEARS AT  
THE BEGINNING OF THE CHAPTER

---

## **Chapter 61            GENERAL PRINCIPLES AND INTRODUCTORY MATTERS IN MOTOR VEHICLE INSURANCE LAW**

---

- § 61.01            Brief History of Automobile Insurance
- § 61.02            Importance of Financial Responsibility and Compulsory Insurance Laws
- § 61.03            Types of Coverage
- § 61.04            Obtaining Automobile Insurance
- § 61.05            Who Is an Insured?
- § 61.06            What Constitutes an Automobile?
- § 61.07            Initiating Coverage
- § 61.08            Insured's Duties
- § 61.09            Termination, Cancellation, and Renewal
- § 61.10            The Shadow of Criminal Fraud and Bad Faith

---

## **Chapter 62            PHYSICAL DAMAGE COVERAGE FOR MOTOR VEHICLES (COLLISION, COMPREHENSIVE AND NAMED-PERILS COVERAGES)**

---

- § 62.01            Physical Damage Coverage
- § 62.02            Collision Coverage
- § 62.03            Comprehensive Coverage
- § 62.04            Named-Perils Coverage
- § 62.05            Direct and Accidental Loss
- § 62.06            Vehicles Insured Under the Policy
- § 62.07            Exclusions and Limitations
- § 62.08            The Insurer's Payment Obligation and Limitation
- § 62.09            Appraisal
- § 62.10            Subrogation
- § 62.11            No Benefit to Bailee Clauses
- § 62.12            Bad Faith and Physical Damage Coverage

---

## **Chapter 63            AUTOMOBILE LIABILITY INSURANCE**

---

- § 63.01            Overview of Automobile Liability Insurance
- § 63.02            Indemnity and Defense Coverage Provided by Automobile Liability  
Policies
- § 63.03            General Types of Vehicles Covered

---

## *Volume 6 Table of Contents*

§ 63.04	Coverage for Various Insureds
§ 63.05	Covered Activities
§ 63.06	Scope of Coverage Is Limited by Numerous Exclusions
§ 63.07	Alcohol or Drug Use Does Not Bar Liability Coverage
§ 63.08	Operating the Vehicle Out of State May Affect Coverage Limits
§ 63.09	No Coverage for Vehicles Operated Beyond Geographical Limitations
§ 63.10	Broad Scope of Insurer's Duty to Defend
§ 63.11	Events Triggering the Insurer's Duty to Defend
§ 63.12	The Tripartite Relationship Between Insurer, Insured, and Retained Defense Counsel
§ 63.13	Scope of Insurer's Duty to Indemnify
§ 63.14	Insured's Duties After an Accident
§ 63.15	Insurer's Right to Control the Defense and Settlement of Covered Claims
§ 63.16	Insurer's Indemnity Obligation Is Limited by Limits of Liability Stated in Policy
§ 63.17	Allocating Coverage Among Multiple Policies
§ 63.18	Principles of Bad Faith Law Applicable to Automobile Liability Coverage

---

### **Chapter 64            MEDICAL PAYMENTS COVERAGE**

---

§ 64.01	Overview
§ 64.02	Determining the Availability of Coverage
§ 64.03	Exclusions From Coverage
§ 64.04	Limit of Liability
§ 64.05	Relationship to Other Coverage: The Effect of an "Other Insurance" Provision
§ 64.06	Applicability of Arbitration Provisions

---

### **Chapter 65            UNINSURED AND UNDERINSURED MOTORIST INSURANCE**

---

§ 65.01	Introductory and General Matters
§ 65.02	Parties Entitled to Uninsured and Underinsured Motorist Benefits
§ 65.03	Satisfying the "Legally Entitled to Recover" Requirement
§ 65.04	What Constitutes an Uninsured and Underinsured Highway Vehicle
§ 65.05	Assessing Whether the Claim Arises Out of the Ownership, Maintenance or Use of a Motor Vehicle
§ 65.06	Limits on Coverage
§ 65.07	Multiple Coverages
§ 65.08	Offsets and Reductions

---

## *Volume 6 Table of Contents*

### **Chapter 66**

### **NO-FAULT INSURANCE**

---

- § 66.01 Basic Features of No-Fault Plans
- § 66.02 Constitutional Challenges
- § 66.03 Types of No-Fault Plans
- § 66.04 Losses Covered
- § 66.05 Scope of Coverage
- § 66.06 Statutory Exclusions to No-Fault Coverage
- § 66.07 Claiming No-Fault Benefits
- § 66.08 Insurer's Obligation to Pay Benefits
- § 66.09 Reductions and Set-Offs
- § 66.10 Insurer's Right to Subrogation
- § 66.11 Multi-Jurisdictional Survey of No-Fault Plans
- § 66.12 Multi-Jurisdictional Survey of Tort Threshold Requirement
- § 66.13 Multi-Jurisdictional Survey of Serious Injury Requirement

### **Chapter 67**

### **BUSINESS-OWNED VEHICLES INSURANCE**

---

- § 67.01 Defining Business-Owned Automobile Insurance
- § 67.02 Covered Vehicles
- § 67.03 Types of Available Coverage
- § 67.04 Covered Persons
- § 67.05 Common Exclusions
- § 67.06 ISO Business Form Exclusions

### **Chapter 68**

### **GARAGE OWNERS' INSURANCE**

---

- § 68.01 Purpose of Garage Owners' Insurance
- § 68.02 Garage Policies Describe "Covered 'Autos' "
- § 68.03 Types of Garage Coverages

### **Chapter 69**

### **TRUCKERS' AND MOTOR CARRIERS' COMMERCIAL VEHICLE INSURANCE**

---

- § 69.01 Motor Carrier Insurance Regulations
- § 69.02 Scope of Trucking Insurance
- § 69.03 Allocating Responsibility Among Insurers: Primary and Excess Coverage
- § 69.04 Cargo Insurance
- § 69.05 Hazardous Materials and Pollution
- § 69.06 Self Insurance
- § 69.07 Commercial Transportation of Passengers

---

*Volume 6 Table of Contents*

**Chapter 70      RESERVED**

# *Volume 7 Table of Contents*

A COMPLETE SYNOPSIS FOR EACH CHAPTER APPEARS AT  
THE BEGINNING OF THE CHAPTER

## **Chapter 71            INTRODUCTION AND GENERAL PRINCIPLES OF REINSURANCE LAW**

---

- § 71.01            A Brief History of Reinsurance
- § 71.02            Function and Definition—What Is Reinsurance?
- § 71.03            Types of Reinsurance
- § 71.04            Key Concepts and Terms
- § 71.05            Admitted Reinsurance
- § 71.06            Bordereau
- § 71.07            Placement Slip
- § 71.08            Cut-Through Endorsement
- § 71.09            Fronting
- § 71.10            Financial Reinsurance Products (Finite Reinsurance)
- § 71.11            Sidecars
- § 71.12            Obtaining Reinsurance

## **Chapter 72            THE REINSURANCE CONTRACT**

---

- § 72.01            The Formation and Content of Reinsurance Contracts
- § 72.02            The Construction and Interpretation of Reinsurance Contracts

## **Chapter 73            DUTIES OF THE CEDENT**

---

- § 73.01            Cedent's Duty of Utmost Good Faith
- § 73.02            Cedent Has a Duty to Timely Notice Its Reinsurer of Claims
- § 73.03            Cedent's Duty to Cooperate With Reinsurer in Handling Claims
- § 73.04            Cedent's Duty to Pay Premium
- § 73.05            Cedent's Duty to Subrogate and Salvage
- § 73.06            Cedent's Duty to Provide Access to Records
- § 73.07            Cedent's Delegation of Its Duties to Managing General Agent

## **Chapter 74            DUTIES OF REINSURERS**

---

- § 74.01            Duty of Utmost Good Faith
- § 74.02            The "Follow" Principles
- § 74.03            Obligation to Indemnify Cedent
- § 74.04            Reinsurance Presentation Issues

---

## *Volume 7 Table of Contents*

- § 74.05           Liability to Original Insureds
- § 74.06           Duration and Termination of Reinsurer's Obligation to Indemnify
- § 74.07           Effect of Cedent's Insolvency
- § 74.08           Effect of Reinsurer's Insolvency

---

### **Chapter 75           REINSURANCE INTERMEDIARIES**

---

- § 75.01           Reinsurance Intermediaries in General
- § 75.02           Functions Performed by Reinsurance Intermediaries
- § 75.03           The Regulatory Framework Within Which Reinsurance Intermediaries Operate
- § 75.04           The Contractual Framework Within Which Reinsurance Intermediaries Operate—The Intermediary Clause
- § 75.05           The Principles of Agency Law Within Which Reinsurance Intermediaries Operate
- § 75.06           Legal Duties of Reinsurance Intermediaries
- § 75.07           Determining Liabilities of Reinsurance Intermediaries

---

### **Chapter 76           UTMOST GOOD FAITH**

---

- § 76.01           The Development of the Duty of Utmost Good Faith
- § 76.02           Breach of the Duty of Utmost Good Faith
- § 76.03           Application of Utmost Good Faith
- § 76.04           Remedies for Breach of Duty of Utmost Good Faith

---

### **Chapter 77           REINSURANCE DISPUTE RESOLUTION**

---

- § 77.01           Pre-Dispute Disclosure Obligations
- § 77.02           Choice of Forum: Litigation Versus Arbitration
- § 77.03           Reinsurance Litigation
- § 77.04           Reinsurance Arbitration

---

### **Chapter 78           REGULATION OF REINSURANCE**

---

- § 78.01           The United States Regulatory Framework
- § 78.02           State Regulation of Reinsurers
- § 78.03           Credit for Reinsurance
- § 78.04           State Regulation of the Reinsurance Agreement
- § 78.05           Important Federal Actions on Reinsurance
- § 78.06           Current Issues in U.S. Reinsurance Regulatory Reform
- § 78.07           International Reinsurance Regulation

---

## *Volume 7 Table of Contents*

---

### **Chapter 79            LLOYD'S AND THE LONDON MARKET**

---

§ 79.01	History and Structure of the Lloyd's Market
§ 79.02	The Company Market
§ 79.03	Placing Risks in the London Market
§ 79.04	The Claims Process
§ 79.05	Dispute Resolution
§ 79.06	Regulation of Lloyd's / London Market
Appendix 79-A	Contract Certainty Code of Practice
Appendix 79-B	Market Reform Contract and Implementation Guide
Appendix 79-C	Market Reform Contract Endorsement
Appendix 79-D	The General Underwriters Agreement

---

### **Chapter 80            RESERVED**

---

# *Volume 8 Table of Contents*

A COMPLETE SYNOPSIS FOR EACH CHAPTER APPEARS AT  
THE BEGINNING OF THE CHAPTER

---

## **Chapter 81            INTRODUCTORY MATTERS OF LIFE INSURANCE LAW**

---

- § 81.01            Brief History of Life Insurance
- § 81.02            Types of Life Insurance
- § 81.03            Overview of the Life Insurance Industry
- § 81.04            Insurable Interest
- § 81.05            Life Insurance and Guaranty Funds
- § 81.06            Life Insurance Capital Markets

---

## **Chapter 82            STATE OR FEDERAL REGULATION—ERISA AND PREEMPTION**

---

- § 82.01            ERISA Framework
- § 82.02            Structure of ERISA Preemption
- § 82.03            Areas of ERISA Preemption

---

## **Chapter 83            OBTAINING LIFE INSURANCE COVERAGE: APPLICATION, REPRESENTATIONS AND WARRANTIES**

---

- § 83.01            Underwriting Principles
- § 83.02            Application Process
- § 83.03            Misrepresentations
- § 83.04            Falsity of Representation
- § 83.05            Effect of Misrepresentations
- § 83.06            Specific Misrepresentation Cases
- § 83.07            Rescission
- § 83.08            Waiver and Estoppel
- § 83.09            Incontestability

---

## **Chapter 84            COMMENCEMENT OF LIFE INSURANCE POLICY AND DURATION OF RISK**

---

- § 84.01            Life Insurance Contracts Are Generally Governed by Same Principles as  
Apply to Other Contracts
- § 84.02            Requisites to Contract Formation Include a “Meeting of the Minds”  
With Offer and Acceptance
- § 84.03            Terms and Conditions of Coverage
- § 84.04            Regulatory Requirements as Affecting Contract Formation and Rights

---

## *Volume 8 Table of Contents*

- § 84.05 Acceptance/Rejection of Application by the Insurer
- § 84.06 Issuance and Delivery of the Policy
- § 84.07 Commencement of Coverage
- § 84.08 Duration and Expiration

---

### **Chapter 85 CAUSES OF LOSS**

---

- § 85.01 Killing of the Insured by the Beneficiary
- § 85.02 Suicide
- § 85.03 Interpleader
- § 85.04 Accidents
- § 85.05 Occupational Hazards

---

### **Chapter 86 LIFE INSURANCE CLAIMS ADJUSTING AND FRAUD**

---

- § 86.01 Reporting Requirements—Claims, Adjusting and Fraud
- § 86.02 Proof of Death
- § 86.03 Time of Death
- § 86.04 False Claims
- § 86.05 Stranger Originated Life Insurance (“STOLI”)
- § 86.06 Foreign Death Schemes
- § 86.07 Mail Fraud

---

### **Chapter 87 GROUP INSURANCE**

---

- § 87.01 Overview of Differences With Individual Insurance
- § 87.02 Contract Issues
- § 87.03 Commencement and Duration of Coverage

---

### **Chapter 88 BENEFITS FROM LIFE INSURANCE PRIOR TO DEATH**

---

- § 88.01 Life Insurance Benefits Generally
- § 88.02 Policy Dividends
- § 88.03 Cash Surrender Value
- § 88.04 Policy Loans
- § 88.05 Accelerated Death Benefits
- § 88.06 Assignments for Value Prior to Death of the Insured
- § 88.07 Taxation on Benefits Received Prior to Death

---

## *Volume 8 Table of Contents*

---

### **Chapter 89            CHOICE OF LAW AFFECTING LIFE INSURANCE POLICIES**

---

- § 89.01            General Choice-of-Law Principles
- § 89.02            Additional Factors Affecting Choice of Law in Group Policies
- § 89.03            Specific Challenges to Designated Choice of Law
- § 89.04            Lost Policies
- § 89.05            Contestability Issues
- § 89.06            Viatical Settlements
- § 89.07            Application of Foreign Laws

---

### **Chapter 90            BAD FAITH IN THE CONTEXT OF LIFE INSURANCE**

---

- § 90.01            Brief History of Bad Faith Claims
- § 90.02            Applicability of Bad Faith in the Context of Life Insurance
- § 90.03            Statutory Remedies
- § 90.04            ERISA Effect on Life Insurance Bad Faith
- § 90.05            Defenses to Bad Faith Claims
- § 90.06            Damages
- § 90.07            Illustrative Cases on Life Insurer Bad Faith

---

### **Chapter 91            ANNUITIES**

---

- § 91.01            Introductory Matters
- § 91.02            Contract Issues
- § 91.03            Concluding the Annuity Relationship

---

### **Chapter 92            CREDIT LIFE INSURANCE**

---

- § 92.01            Overview
- § 92.02            Relationships and Duties Among Parties
- § 92.03            Terms of Credit Life Insurance Agreement Are Regulated
- § 92.04            Effectiveness of Coverage
- § 92.05            Debtors Are Entitled to Receive Extensive Disclosures
- § 92.06            Filing and Approval of Forms
- § 92.07            Premium Rates
- § 92.08            Authorization of Insurers and Producers
- § 92.09            Claims and Claimants
- § 92.10            Supervision of Credit Life Insurance Operations
- § 92.11            Prohibited Practices
- § 92.12            Enforcement, Judicial Review, and Penalties for Violations

---

## *Volume 8 Table of Contents*

---

### **Chapter 93            SERVICE LIFE INSURANCE**

---

- § 93.01            Life Insurance Programs Specifically Available to Members of the Armed Services and Veterans
- § 93.02            Contract Issues
- § 93.03            Rules and Regulations Applicable to Service Life Insurance
- § 93.04            Military Personnel Financial Services Protection Act

---

### **Chapter 94            DISABILITY INSURANCE**

---

- § 94.01            Preface: The Importance of Researching Regulations of the Applicable Jurisdiction
- § 94.02            Principles and Characteristics of Disability Insurance
- § 94.03            Relationship of Disability Insurance to Other Available Benefits
- § 94.04            Regulatory Environment
- § 94.05            “Disability” Defined; Types of Disability Clauses
- § 94.06            Disability Claims Practice
- § 94.07            Common Issues Arising Under Disability Insurance Policies
- § 94.08            Claim Denial and Litigation

---

### **Chapter 95            INSURABLE INTEREST**

---

- § 95.01            Historical Development of the Insurable Interest Doctrine
- § 95.02            What Is and Who Has an Insurable Interest
- § 95.03            Challenging Violations of Insurable Interest Rule
- § 95.04            Defenses to Insurable Interest Challenges
- § 95.05            Remedies and Relief After Successful Challenge

### **Index**

# *Volume 9 Table of Contents*

A COMPLETE SYNOPSIS FOR EACH CHAPTER APPEARS AT  
THE BEGINNING OF THE CHAPTER

---

**Chapter 96**                    **GENERAL PRINCIPLES AND INTRODUCTORY MATTERS  
CONCERNING INSURER INSOLVENCY AND BANKRUPTCY**

---

- § 96.01                    Brief History of Insurance Insolvency
- § 96.02                    Major Principles of Governance of Insurer Insolvency and Bankruptcy
- § 96.03                    Definitions of Terms and Roles

---

**Chapter 97**                    **RESERVED**

---

---

**Chapter 98**                    **REGULATION OF INSOLVENCY**

---

- § 98.01                    Regulatory Framework
- § 98.02                    The Intervention Decision
- § 98.03                    Considerations in Choosing Between Intervention Options
- § 98.04                    Greater Intensity in Supervision, Including a Seizure Order

---

**Chapter 99**                    **RECEIVERSHIP**

---

- § 99.01                    Framework for Insurer Receivership
- § 99.02                    Entities Subject to Insurer Receivership Statutes
- § 99.03                    Jurisdiction and Venue for Receivership Proceedings
- § 99.04                    Procedural Issues That Are Unique to Receiverships
- § 99.05                    Grounds for Appointment of Receiver
- § 99.06                    Powers and Duties of Receiver
- § 99.07                    Working With and Challenging Receivers' Actions
- § 99.08                    Effects of a Receivership on Parties in Interest
- § 99.09                    Special Types of Receiverships
- § 99.10                    Timing and Procedures for Terminating Receiverships

---

**Chapter 100**                    **REHABILITATION OF INSURERS**

---

- § 100.01                    Purposes of Rehabilitation and Distinguishing It From Other Proceedings
- § 100.02                    Grounds for Rehabilitation
- § 100.03                    Procedures for Commencement of Rehabilitation Proceedings
- § 100.04                    Powers and Duties of Rehabilitator
- § 100.05                    Challenging Rehabilitator's Determination of Claims

---

## *Volume 9 Table of Contents*

- § 100.06            The Rehabilitation Plan
- § 100.07            Effects of Rehabilitation Efforts
- § 100.08            Ending Rehabilitation
- § 100.09            Rehabilitation Proceedings Are Converted to Liquidation Proceedings in Certain Circumstances

---

### **Chapter 101            LIQUIDATION**

---

- § 101.01            Liquidation Generally
- § 101.02            Commencing Liquidation Proceedings
- § 101.03            Liquidators
- § 101.04            Effects of Liquidation Order
- § 101.05            Claims Procedures
- § 101.06            Distributions to Creditors
- § 101.07            Closing the Liquidation

---

### **Chapter 102            CONSEQUENCES OF INSURER INSOLVENCY**

---

- § 102.01            Consequences of Insurer Insolvency for Policyholders
- § 102.02            Consequences of Insurer Insolvency for Agents
- § 102.03            Consequences of Insurer Insolvency for Excess Insurers
- § 102.04            Consequences of Insurer Insolvency for Reinsurers

---

### **Chapter 103            U.S. REGULATION OF THE SOLVENCY AND INSOLVENCY OF ALIEN MULTI-NATIONAL INSURERS**

---

- § 103.01            Overview of the U.S. Regulation of Alien Insurers
- § 103.02            Non-U.S. Solvency Regulation
- § 103.03            Ancillary Proceedings in State Courts in the United States Involving Alien Insurers
- § 103.04            Ancillary Proceedings in Federal Courts Involving Alien Insurers

---

### **Chapter 104            CASE STUDIES OF INSURER INSOLVENCIES**

---

- § 104.01            Legion Insurance Group
- § 104.02            Shenandoah Life Insurance Company
- § 104.03            Lumbermens Mutual Casualty Company
- § 104.04            Reciprocal of America
- § 104.05            Ambac Assurance Corporation

---

## *Volume 9 Table of Contents*

<b>Chapter 105</b>	<b>PROPERTY/CASUALTY GUARANTY ASSOCIATIONS</b>
§ 105.01	Legal Basis for Guaranty Associations
§ 105.02	Administration and Governance of Guaranty Associations
§ 105.03	Assessments
§ 105.04	Purpose of Guaranty Associations
§ 105.05	Workers' Compensation Guaranty Associations
§ 105.06	Relationship Between Guaranty Associations and Receivers
§ 105.07	When More Than One Guaranty Association Is Involved, Generally the Guaranty Association in the State of Residence of the Insured Is the Primarily Liable Guaranty Association
<b>Chapter 106</b>	<b>ANATOMY OF A CLAIM FILED WITH A GUARANTY ASSOCIATION</b>
§ 106.01	Definitions and the Model Acts
§ 106.02	Types of Insurance That Are Covered by Property/Casualty Guaranty Associations
§ 106.03	Covered Claims
§ 106.04	Limitations on Coverage
§ 106.05	Immunities Applicable to Guaranty Associations
§ 106.06	Filing Policy Claims With the Guaranty Associations
<b>Chapter 107</b>	<b>BANKRUPTCY AND INSURANCE</b>
§ 107.01	Basics of Bankruptcy
§ 107.02	General Principles of Bankruptcy Law
§ 107.03	Insurer Standing in Bankruptcy Proceedings
<b>Chapter 108</b>	<b>INSURANCE AS AN ASSET IN THE ESTATE</b>
§ 108.01	The Debtor's Insurance Policies Are Property of the Estate
§ 108.02	Issues Related to the Debtor's Maintenance of Insurance in Bankruptcy
§ 108.03	Preserving and Pursuing Insurance Claims During Bankruptcy
§ 108.04	Common Types of Insurance Policies and Bankruptcy's Effect on Them
<b>Chapter 109</b>	<b>IMPACT OF BANKRUPTCY ON INSURANCE MATTERS</b>
§ 109.01	Impact of the Automatic Stay
§ 109.02	The Plan of Reorganization and the Treatment of Insurance-Related Matters
§ 109.03	Litigation Issues

---

*Volume 9 Table of Contents*

**Chapter 110      BANKRUPTCY ISSUES ARISING FOR SPECIFIC KINDS OF  
INSURANCE**

---

- § 110.01      Directors and Officers Liability Insurance
- § 110.02      Professional Liability Insurance
- § 110.03      Special Kinds of Insurance Issues Arising in Bankruptcy Cases

**Index**

# Volume 10 Table of Contents

A COMPLETE SYNOPSIS FOR EACH CHAPTER APPEARS AT  
THE BEGINNING OF THE CHAPTER

---

## **Chapter 111            AN INTRODUCTION TO FIDELITY INSURANCE: ESSENTIAL TERMS, BACKGROUND, AND HISTORY**

---

- § 111.01            Introduction to Fidelity Insurance
- § 111.02            Early History and Development of Fidelity Insurance
- § 111.03            Development of Modern Fidelity Insurance in the United States

---

## **Chapter 112            FINANCIAL INSTITUTION BOND INSURING AGREEMENT (A)—EMPLOYEE DISHONESTY**

---

- § 112.01            Introduction to Coverage for Employee Dishonesty
- § 112.02            History
- § 112.03            Who Is an “Employee”?
- § 112.04            The Meaning of Dishonest and Fraudulent Acts
- § 112.05            The Employee Must Act with the Manifest Intent to Cause a Loss to the  
Employer
- § 112.06            The Employee Must Act With the Manifest Intent to Obtain a Financial  
Benefit for Himself or Another
- § 112.07            Where the Loss Results Directly or Indirectly From a Loan
- § 112.08            If the Loss Results Directly or Indirectly From a Loan, the Employee  
Must Have Acted in Collusion With One or More Parties to the  
Transactions

---

## **Chapter 113            FINANCIAL INSTITUTION BOND INSURING AGREEMENT (B)—ON PREMISES**

---

- § 113.01            Two Versions of Insuring Agreement (B) Are in Widespread Use
- § 113.02            Subsection (1) of 1986 and 2004 Insuring Agreement (B) Forms Cover  
Loss of Defined Types of Property as a Direct Result of Specified  
Wrongful Acts
- § 113.03            Requirement That Loss or Damage *Directly Result* From Covered Peril  
Is Most Significant Limitation on Coverage in 1986 and 2004 Bond  
Forms Compared to Earlier Bond Forms
- § 113.04            Certain Bond Exclusions Commonly Arise in Insuring Agreement B  
Claims

---

## *Volume 10 Table of Contents*

---

### **Chapter 114      FINANCIAL INSTITUTION BOND INSURING AGREEMENT (C)—IN TRANSIT**

---

- § 114.01      Introduction
- § 114.02      History
- § 114.03      “In Transit and/or Being Transported”
- § 114.04      “Delivery”
- § 114.05      A Natural Person Acting as a Messenger of the Insured
- § 114.06      In the Custody of
- § 114.07      Transportation Companies Acting to Service ATMs/Being Transported  
in an Armored Motor Vehicle
- § 114.08      Loss of Covered “Property”

---

### **Chapter 115      FINANCIAL INSTITUTION BOND INSURING AGREEMENT (D)—FORGERY OR ALTERATION**

---

- § 115.01      Introduction
- § 115.02      Definitions of Terms
- § 115.03      When Does a Loss Result Directly From a Forgery or Alteration?
- § 115.04      Uncollected Funds Exclusion
- § 115.05      What Constitutes a “Forgery?”
- § 115.06      What Constitutes an “Alteration?”
- § 115.07      The Insured’s Entitlement to Claim Reliance on an Alteration or Forgery

---

### **Chapter 116      FINANCIAL INSTITUTION BOND INSURING AGREEMENT (E)—SECURITIES**

---

- § 116.01      History of Insuring Agreement (E)
- § 116.02      Coverage Under Insuring Agreement (E)

---

### **Chapter 117      FINANCIAL INSTITUTION BOND INSURING AGREEMENT (F)—COUNTERFEIT CURRENCY**

---

- § 117.01      History and Purpose
- § 117.02      Counterfeit
- § 117.03      Money

---

### **Chapter 118      FINANCIAL INSTITUTION BOND INSURING AGREEMENT (G)—FRAUDULENT MORTGAGES RIDER**

---

- § 118.01      History of This Coverage
- § 118.02      Relationship Between This Coverage and Other Financial Institution  
Bond Coverages

---

## *Volume 10 Table of Contents*

- § 118.03 Analysis of Key Decisions
- § 118.04 Key Coverage Issues
- § 118.05 Conclusion

---

### **Chapter 119 FINANCIAL INSTITUTION BOND COMPUTER SYSTEMS FRAUD RIDER COVERAGE**

---

- § 119.01 History of the Surety & Fidelity Association of America (“SFAA”)  
Computer Systems Fraud Rider
- § 119.02 Description of Current Language of Rider
- § 119.03 Noteworthy Litigated Issues

---

### **Chapter 120 COMMERCIAL CRIME POLICY INSURING AGREEMENT 1: EMPLOYEE DISHONESTY AND EMPLOYEE THEFT COVERAGE**

---

- § 120.01 Commercial Crime Policies Are Fidelity Policies
- § 120.02 A Brief History of Standard Form Commercial Crime Policies
- § 120.03 Standard Form Commercial Crime Policies
- § 120.04 A Comparison of Employee Dishonesty and Employee Theft Coverages  
in Commercial Crime Policies
- § 120.05 The “Employee” Requirement
- § 120.06 Money, Securities, or Other Property
- § 120.07 “Direct Means Direct”—the Loss “Resulting Directly From” Causation  
Requirement
- § 120.08 What Is “Acting In Collusion”?
- § 120.09 Elements Unique to Employee Dishonesty Coverage in Commercial  
Crime Policies
- § 120.10 What Are “Dishonest Acts”?
- § 120.11 Courts Have Used Three Different Tests Used in Applying the  
“Manifest Intent” Requirement
- § 120.12 The Natural and Probable Consequences Test—Illustrative Case
- § 120.13 The Substantial Certainty Test—Illustrative Cases
- § 120.14 The Specific Intent Test—Leading and Illustrative Cases
- § 120.15 Courts Should Use the Specific Intent Test
- § 120.16 The Employee Must Have the Manifest Intent to Cause the Employer to  
Incur a Loss, Not to Cause a Third Party to Incur a Loss
- § 120.17 The Financial Benefit Requirement
- § 120.18 Purpose of the Financial Benefit Requirement
- § 120.19 What Is a Sufficient Financial Benefit?
- § 120.20 Employee Benefits Such as Salary and Bonuses Do Not Qualify
- § 120.21 Employee Theft Coverage in Commercial Crime Policies

---

## *Volume 10 Table of Contents*

- § 120.22            The “Unlawful Taking” Element of Employee Theft Coverage  
§ 120.23            The “To the Deprivation of the Insured” Element of Employee Theft Coverage  
§ 120.24            Intent Is Required for Employee Theft Coverage

---

### **Chapter 121            COMMERCIAL CRIME POLICY INSURING AGREEMENT 2—FORGERY OR ALTERATION**

---

- § 121.01            Background  
§ 121.02            Scope of Coverage and Key Terms  
§ 121.03            Conditions Specific to Forgery/Alteration Coverage  
§ 121.04            Exclusions

---

### **Chapter 122            COMMERCIAL CRIME POLICY INSURING AGREEMENT 3—INSIDE THE PREMISES—THEFT OF MONEY/SECURITIES**

---

- § 122.01            Background and History  
§ 122.02            Interpreting Key Terms  
§ 122.03            Conditions  
§ 122.04            Exclusions

---

### **Chapter 123            COMMERCIAL CRIME POLICY INSURING AGREEMENT 4—INSIDE THE PREMISES—ROBBERY OR SAFE BURGLARY**

---

- § 123.01            Background and History  
§ 123.02            Interpreting Key Terms  
§ 123.03            Conditions  
§ 123.04            Exclusions

---

### **Chapter 124            COMMERCIAL CRIME POLICY INSURING AGREEMENT 5—OUTSIDE THE PREMISES PROPERTY IN CARE OR CUSTODY OF MESSENGER OR ARMORED MOTOR VEHICLE COMPANY**

---

- § 124.01            Background and History  
§ 124.02            Interpreting Key Terms  
§ 124.03            Special Condition E(4)—Armored Motor Vehicle Company “Excess” Provision and Limitation on Liability for Certain Property  
§ 124.04            Exclusions



---

## *Volume 10 Table of Contents*

- § 129.09 Rights of Third Parties to Recover Directly Against the Bond  
§ 129.10 Waiver and Estoppel

---

### **Chapter 130 LOSS AND CAUSATION**

---

- § 130.01 The Definition of Direct Loss  
§ 130.02 Claims Arising From a Fraud on a Third Party  
§ 130.03 Compensability of Losses Resulting From Fictitious Collateral Under a Financial Institution Bond  
§ 130.04 Insured's Burden to Prove a Loss

---

### **Chapter 131 GENERAL AGREEMENTS**

---

- § 131.01 General Agreement (A)—Nominees  
§ 131.02 General Agreement (B)—Additional Offices or Employees—Consolidation, Merger or Purchase of Assets—Notice  
§ 131.03 General Agreement (C)—Change of Ownership—Notice  
§ 131.04 General Agreement (D)—Representation of Insured  
§ 131.05 General Agreement (E)—Joint Insured  
§ 131.06 General Agreement (F)—Notice of Legal Proceedings Against Insured—Election to Defend  
§ 131.07 General Agreement (G)—Insured's ERISA Plans

---

### **Chapter 132 IMPORTANT DEFINITIONS**

---

- § 132.01 Financial Institution Bond Definitions  
§ 132.02 Commercial Crime Policy Definitions

---

### **Chapter 133 KEY EXCLUSIONS**

---

- § 133.01 Loan Loss  
§ 133.02 Trading  
§ 133.03 Potential/Unrealized Income  
§ 133.04 Inventory Loss  
§ 133.05 Indirect Loss  
§ 133.06 Other Key Exclusions

---

### **Chapter 134 LIMIT OF LIABILITY**

---

- § 134.01 Stated Limits of Liability  
§ 134.02 Aggregate Limit  
§ 134.03 Single Loss or Occurrence Limits  
§ 134.04 The Anti-Stacking Features of Fidelity Policies

---

## *Volume 10 Table of Contents*

- § 134.05            **The Prior Insurance Clauses**
- § 134.06            **Deductible**
- § 134.07            **Other Insurance**
- § 134.08            **Excess Insurance**

---

### **Chapter 135            TERMINATION AND CANCELLATION**

---

- § 135.01            **Policy Language and Structure**
- § 135.02            **Termination or Cancellation of Bond in Its Entirety**
- § 135.03            **Automatic Termination or Cancellation of Financial Institution Bond as to an Individual Employee**
- § 135.04            **Conclusion**

---

### **Chapter 136            THE COOPERATION PROVISION**

---

- § 136.01            **Background and General Purpose of the Cooperation Provision**
- § 136.02            **Development of the Cooperation Provision**
- § 136.03            **Cooperation Is Necessary to Complete the Investigation of Claims Under Fidelity Bonds and Crime Policies**
- § 136.04            **Failure to Cooperate May Operate as Bar to Recovery**
- § 136.05            **Privilege Issues Versus the Duty to Cooperate**
- § 136.06            **Conclusion**

---

### **Chapter 137            ASSIGNMENT, SUBROGATION AND RECOVERY**

---

- § 137.01            **General Purpose and Background**
- § 137.02            **Assignment**
- § 137.03            **Subrogation**
- § 137.04            **Recovery Against Principal**
- § 137.05            **Claims Against Third Parties**
- § 137.06            **Conclusion**

# Volume 11 Table of Contents

A COMPLETE SYNOPSIS FOR EACH CHAPTER APPEARS AT  
THE BEGINNING OF THE CHAPTER

## **Chapter 138 INTRODUCTION TO SURETYSHIP**

---

- § 138.01 Introduction
- § 138.02 Underwriting of Surety Bonds
- § 138.03 Creation of the Surety Relationship
- § 138.04 Types of Surety Bonds
- § 138.05 Issues Impacting Discharge of Contract Surety's Obligations
- § 138.06 Dispute Resolution
- § 138.07 Damages
- § 138.08 *Quia Timet*, Exoneration and Reimbursement for Losses

## **Chapter 139 PERFORMANCE BONDS**

---

- § 139.01 The Performance Bond Relationship
- § 139.02 Claim Assertion on the Performance Bond
- § 139.03 The Surety's Performance Options
- § 139.04 The Surety's Right to Contract Funds
- § 139.05 The Performance Bond Surety's Rights on Federal Projects
- § 139.06 Damages
- § 139.07 Surety Defenses

## **Chapter 140 PAYMENT BONDS**

---

- § 140.01 Types of Payment Bonds
- § 140.02 Special Rules of Construction
- § 140.03 Parties Entitled to Make Claims
- § 140.04 What Is Covered by the Bond
- § 140.05 Value of Claims Under the Bond
- § 140.06 Notice of Claims
- § 140.07 Enforcement of Claims

## **Chapter 141 MISCELLANEOUS BONDS RELATING TO IMPROVEMENT OF REAL PROPERTY: LIEN RELEASE BONDS AND SUBDIVISION BONDS**

---

- § 141.01 Lien Release Bonds
- § 141.02 Subdivision Bonds

---

## *Volume 11 Table of Contents*

---

### **Chapter 142 RECLAMATION AND ENVIRONMENTAL BONDS**

---

- § 142.01 Reclamation Bonds
- § 142.02 Environmental Bonds
- § 142.03 Reclamation Issues When the Bond Principal Files Bankruptcy
- § 142.04 Surety Rights

---

### **Chapter 143 PUBLIC OFFICIAL AND FIDUCIARY BONDS**

---

- § 143.01 Introduction and Overview
- § 143.02 Public Official Bonds Are Statutory
- § 143.03 Coverage of Bond Tied to Official Duties
- § 143.04 Application of Bond to Loss of Deposited Funds
- § 143.05 Release or Discharge of Surety
- § 143.06 Particular Officials and Fiduciaries
- § 143.07 Damages
- § 143.08 Probate Bonds for Appointed Fiduciaries
- § 143.09 The Probate Bond
- § 143.10 Standing and Ripeness; Statute of Limitations
- § 143.11 Damages Recoverable Under a Probate Bond
- § 143.12 Set-Offs, Recoupments, and Counterclaims
- § 143.13 Discharge of the Surety and Effect

---

### **Chapter 144 OTHER MISCELLANEOUS SURETY BONDS**

---

- § 144.01 Overview of Commercial Bonds
- § 144.02 Fringe Benefit Bonds
- § 144.03 Notary Bonds
- § 144.04 Bankruptcy Trustee Bonds
- § 144.05 Judicial Bonds
- § 144.06 Medicare Bonds
- § 144.07 License and Permit Bonds
- § 144.08 Bail Bonds

---

### **Chapter 145 RESERVED**

---

---

### **Chapter 146 SURETY SALVAGE—INDEMNITY AND SUBROGATION**

---

- § 146.01 The Nature of Suretyship and Surety Salvage
- § 146.02 The Surety's Common Law Rights
- § 146.03 A Comparison—The Concepts of the Surety's Common Law Indemnity and Reimbursement Rights and Subrogation Rights With the Surety's

---

## *Volume 11 Table of Contents*

	<b>Contract Rights Under Common Forms of Indemnity Agreements</b>
§ 146.04	<b>The Surety's Statutory Rights</b>
§ 146.05	<b>The Differences Between Suretyship and Traditional Insurance</b>
§ 146.06	<b>The Surety's Indemnity Agreement Contract Rights</b>
§ 146.07	<b>The Surety's Enforcement Rights Under the Indemnity Agreement</b>
§ 146.08	<b>The Surety's Subrogation Rights—Nature and Scope</b>
§ 146.09	<b>Factors and Issues</b>
§ 146.10	<b>The Surety's Enforcement of Its Subrogation Rights</b>
§ 146.11	<b>The Parties Competing With the Surety for Salvage</b>
§ 146.12	<b>The Surety's Sharing of Salvage</b>
§ 146.13	<b>The Effect of Bankruptcy on the Surety's Indemnity and Subrogation Rights</b>

---

### **Chapter 147      FINANCIAL GUARANTY INSURANCE**

---

§ 147.01	<b>Overview</b>
§ 147.02	<b>Regulation of Financial Guaranty Insurance; the NAIC Model Act</b>
§ 147.03	<b>Statutes Following the NAIC Model Act</b>
§ 147.04	<b>New York Licensing Provisions—Including the “Appleton Rule”—Prohibit Multiline Insurers Licensed in New York From Issuing Financial Guaranty Insurance in Other States or Countries</b>

# *Volume 12 Table of Contents*

A COMPLETE SYNOPSIS FOR EACH CHAPTER APPEARS AT  
THE BEGINNING OF THE CHAPTER

---

**Chapter 148**      **INTRODUCTORY MATTERS IN LITIGATION, ARBITRATION  
AND SETTLEMENT**

---

§ 148.01	Introduction and Scope
§ 148.02	Obtaining Insurance
§ 148.03	Claims and Investigation
§ 148.04	Relationship Between the Underlying Claim and the Coverage Dispute
§ 148.05	Insurance Coverage Litigation
§ 148.06	Settlement Process
§ 148.07	Methods for Handling Multiple Insurance Situations
§ 148.08	Subrogation

---

**Chapter 149**      **PRE-LITIGATION ISSUES**

---

§ 149.01	Giving Notice of the Claim
§ 149.02	Insurer's Response to Notice
§ 149.03	Proof of Loss Requirements
§ 149.04	Policyholder's Response to Insurer's Reservation of Rights
§ 149.05	Claims Adjustment and Investigation
§ 149.06	Settlement Before Litigation
§ 149.07	Pre-Litigation Alternative Dispute Resolution

---

**Chapter 150**      **INITIATION OF LITIGATION**

---

§ 150.01	Introduction and Scope
§ 150.02	Parties to the Lawsuit
§ 150.03	Insolvency, Death, Corporate Dissolution, and Suspension
§ 150.04	Timing
§ 150.05	Jurisdiction Over Subject Matter and Person
§ 150.06	Forum and Venue
§ 150.07	Content of Pleadings
§ 150.08	Direct Actions by Claimants Against Insurers
§ 150.09	An Insurer's Right to Intervene in the Underlying Lawsuit Against the Insured
§ 150.10	Interpleader
§ 150.11	Class Action Litigation
§ 150.12	Service of Suit

---

## *Volume 12 Table of Contents*

---

### **Chapter 151      RESPONDING TO LITIGATION**

---

- § 151.01      Fundamental Strategic Considerations
- § 151.02      Disputes About Forum Choice
- § 151.03      Answer
- § 151.04      Affirmative Defenses
- § 151.05      Motions
- § 151.06      Cross-claims and Counterclaims
- § 151.07      Joinder
- § 151.08      Preserving the Right to a Jury Trial
- § 151.09      Managing the Relationship With Underlying Case

---

### **Chapter 152      DISCOVERY**

---

- § 152.01      Scope of Discovery
- § 152.02      Methods of Discovery
- § 152.03      Enforcement of Discovery Rights
- § 152.04      Attorney-Client Privilege in Coverage Litigation
- § 152.05      The Attorney Work-Product Doctrine in Coverage Litigation
- § 152.06      Discovery of Extra-Contractual Information Relating to Policy Interpretation
- § 152.07      Other Controversial Areas of Discovery in Coverage Litigation
- § 152.08      Electronic Discovery in Coverage Litigation
- § 152.09      Protective Orders and Confidentiality Agreements in Coverage Litigation

---

### **Chapter 153      EXPERT WITNESSES**

---

- § 153.01      Overview and Introductory Issues
- § 153.02      What Constitutes “Expertise”
- § 153.03      Examples of Use of Expert Testimony
- § 153.04      Examples When Expert Testimony Cannot Be Used
- § 153.05      Discovery Pertaining to Experts
- § 153.06      Motions Related to Expert Testimony
- § 153.07      Expert Evidence in Arbitration Proceedings

---

### **Chapter 154      SUMMARY JUDGMENT**

---

- § 154.01      Introduction
- § 154.02      Summary Judgment Standards in General
- § 154.03      Burdens on Summary Judgment Motion
- § 154.04      Procedural Requirements for Summary Judgment Motions

---

## **Volume 12 Table of Contents**

**§ 154.05**                    **Summary Judgment for Particular Issues**

---

### **Chapter 155**                **TRIAL**

---

**§ 155.01**                    **Overview and Introductory Issues**

**§ 155.02**                    **Pre-Trial Motions**

**§ 155.03**                    **Jury Selection**

**§ 155.04**                    **Evidentiary Issues**

**§ 155.05**                    **Jury Issues**

**§ 155.06**                    **Availability of Attorney's Fees**

**§ 155.07**                    **Appeal Issues**

---

### **Chapter 156**                **POST-TRIAL ISSUES**

---

**§ 156.01**                    **Post-Trial Proceedings, Generally**

**§ 156.02**                    **Post-Trial Motions**

**§ 156.03**                    **Entry of Judgment**

**§ 156.04**                    **Basis for Appellate Jurisdiction**

**§ 156.05**                    **Notice of Appeal**

**§ 156.06**                    **Bond Requirements**

**§ 156.07**                    **Costs and Attorney's fees**

**§ 156.08**                    **Interest**

**§ 156.09**                    **Preclusion Based on Prior Litigation**

---

### **Chapter 157**                **SETTLEMENT**

---

**§ 157.01**                    **Pre-Litigation Settlement Considerations**

**§ 157.02**                    **Litigation Settlement Issues**

**§ 157.03**                    **Essentials of Enforceable Settlements**

**§ 157.04**                    **Settlement Concerns for Particular Claims**

**§ 157.05**                    **Settlement Issues Where There Are Multiple Claims or Multiple Insureds and Insufficient Coverage**

**§ 157.06**                    **Claim Aggregation Issues**

**§ 157.07**                    **Settlements Involving Both Primary and Excess Policies**

**§ 157.08**                    **Protection of Insurers' Right to Subrogation**

**§ 157.09**                    **Enforcing the Settlement**

**Index**