

Wiley Rein Insurance Partner Successfully Argues Case Before Supreme Court of Georgia

April 20, 2015

The Supreme Court of Georgia ruled today that an insured's case against its insurer was properly dismissed because the insured settled the underlying lawsuit without its insurer's consent. Wiley Rein Insurance Practice partner Charles C. Lemley argued the case on behalf of the insurer—XL Specialty Insurance Company.

The insured's case, originally filed in federal district court, sought coverage for a \$4.9 million settlement agreement plus interest and alleged bad faith on the part of the insurer. The district court granted the insurer's motion to dismiss on the grounds that the insured could not sue the insurer for a settlement it entered into without the insurer's consent. The insured appealed. On appeal to the 11th Circuit Court of Appeals, the federal panel referred certified questions to the Georgia Supreme Court.

In its opinion, the Supreme Court of Georgia said, "the plain language of the insurance policy does not allow the insured to settle a claim without the insurer's written consent."

Mr. Lemley was assisted in the case, *Piedmont Office Realty Trust, Inc. v. XL Specialty Ins. Co.*, by Wiley Rein partner William E. Smith and associate Edward R. Brown.

To read a summary of the case, [click here](#). To read the full opinion, [click here](#).

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