

Bi-Economy Market, Inc. vs. Harleystown Insurance Company of New York

Year: 2006

Court: New York State Court of Appeals

Case Number: Monroe County Index. No. 2004-11840, Appellate Division Index Case No. CA 06-00847

The policyholder sought consequential damages for the loss of its business as a result of the insurance company's refusal to make timely payment. The trial court refused to award consequential damages. United Policyholders argued that such damages are routinely awarded in breach of contract cases, including cases involving breach of an insurance policy, and that under the venerable Hadley v. Baxendale decision, such damages were foreseeable given the nature of the policy at issue. Moreover, even though the consequential loss exclusion barred coverage for certain losses, it did not bar a court from imposing the remedy of consequential damages.

UP's brief was written pro bono by Eugene R. Anderson, Esq. and Richard P. Lewis, Esq. of Anderson Kill & Olick, PC. Of Counsel: Amy Bach, Esq.