

Montrose Chemical Corp. v. Superior Court (Montrose IX)

Year: 2017

Court: California Supreme Court

Case Number: B272387/S244737

UP submitted letters requesting depublication of the appellate decision and supporting review by the California Supreme Court. In its letters UP argued that the Montrose IX Court created new and bad law by (a) adopting a coverage-minimizing reading of the term “underlying insurance,” in contravention of California law; (b) improperly applying to excess insurance a case concerning the duty to defend under primary insurance; (c) using “other insurance” clauses to limit the policyholder’s insurance coverage rights notwithstanding precedent holding that “other insurance” insurance clauses only apply to inter-insurer disputes and do not affect the policyholder’s rights as against any insurer; and (d) imposing unnecessary burdens on the Superior Courts and parties. UP urged the Supreme Court to depublish Montrose IX or grant review, because the appellate court ignored the basic rule that the policy language, rather than general principles of interpretation should control the outcome of a dispute. By limiting coverage in the absence of clear and unambiguous insurance policy language, Montrose IX erred egregiously. Montrose IX also disregarded the basic principle that a court must read insurance policy language in the context of the entire contract, giving meaning to every part and avoiding a reading that renders any part of the insurance policy superfluous. Thus, UP urged the Supreme Court to depublish the opinion or grant review to correct the appellate court’s numerous errors of law. April 2020 Update: CA high court upholds policyholders rights to paid-for protection.

UP's letters were authored by David B. Goodwin, Esq. and Rene Siemens of Covington and Burling LLP