

I. INTEREST OF AMICUS CURIAE

Amicus curiae United Policyholders ("United Policyholders" or "Amicus") is a non-profit corporation dedicated to educating policyholders about their rights and duties under their insurance policies. United Policyholders' activities include organizing meetings, distributing written materials, and responding to requests for information from individuals, elected officials, and governmental entities. These activities are limited only to the extent that United Policyholders exists exclusively on donated labor and contributions of services and funds.

Amicus curiae has a vital interest in seeing that the standard form liability insurance policies sold to countless policyholders, including policyholders in California, are interpreted properly and consistently by insurance companies and the courts. As a public interest organization, United Policyholders seeks to assist and to educate the public and the courts on policyholders' insurance rights and their efforts to have them enforced throughout the country. Thus, United Policyholders has a direct and vital interest in the resolution of the comparative bad faith doctrine at issue herein.

II. STATEMENT OF ISSUES

Amicus relies on the Statement of Issues of Plaintiff and Respondent Kransco.

III. INTRODUCTION AND SUMMARY OF ARGUMENT

The significant issue in this appeal is whether an insurance company whose bad faith refusal to settle has exposed its policyholder to a substantial verdict in