

DyKEMA

Exceptional service. Dykema delivers.



Ensuring excellence
Insurance Industry Group

www.dykema.com

California | Illinois | Michigan | Minnesota | Texas | Washington, D.C.

Overview

Dykema has a large and diverse insurance industry practice. With over 350 attorneys and other professionals and deep collective experience in more than 65 practice areas, Dykema serves many aspects of the U.S. insurance industry from thirteen offices strategically located across the country in Michigan, California, Illinois, Minnesota, Texas and Washington D.C. Many Dykema lawyers are nationally, regionally and locally recognized as leaders in their practice areas. For over a century, Dykema lawyers have guided our insurance industry through the many and multifaceted legal challenges to success in the business world. As that insurance industry has become ever more regulated, international and technology-based, Dykema has kept a step ahead, giving our clients the edge they need to succeed.

The Firm has literally decades of experience representing domestic and foreign insurers, reinsurers, investment banking firms, self-insurance pools, residual market insurance associations, regulators and receivers, national and state trade associations, insurance intermediaries (brokers, agents, TPAs) and insurance industry officers and directors. By combining our intimate industry knowledge with our sharp legal focus, we help clients reduce risk, create opportunity and resolve their tough challenges. From regulatory and transactional matters to complex insurance litigation, our insurance clients can count on the lawyers in Dykema's Insurance Industry Group to efficiently and effectively satisfy their myriad of legal needs.

Regulatory and Compliance

The insurance industry is among the most highly regulated industries today, making regulatory compliance both a challenge and a priority for every industry participant. As knowledgeable regulatory legal counsel, Dykema helps clients meet that challenge and avoid regulatory missteps. With extensive first-hand experience navigating the complex world of insurance regulation, we successfully advise clients on virtually all issues within the regulatory sphere from obtaining certificates of authority and requalification to

implementing regulatory compliance programs, preparing rate and other filings, investing capital assets and satisfying statutory accounting requirements.

Over the years, we have developed solid relationships with many state insurance department regulators as well as with regulators from foreign countries. We maintain these relationships with integrity and credibility, which translates into substantial value to our clients. We also represent clients at and monitor the activities of the National Association of Insurance Commissioners (NAIC) and the National Council of Insurance Legislators (NCOIL).



When the need arises, we also professionally represent clients in state insurance department and federal agency inquiries, investigations and administrative hearings, and work with them throughout the enforcement or other regulatory proceedings. We work closely with our clients to bring such matters to an expeditious, cost-effective resolution. We also have an exemplary track record defending clients against allegations of white-collar crime that can arise in this closely-regulated industry.

Lobbying and Public Policy

Working in concert with a full-time staff of registered lobbyists, Dykema's insurance attorneys help shape the laws that directly affect the highly-regulated insurance industry. We have decades of experience representing clients on matters before state and federal legislative bodies. Drawing on this experience, we help clients with drafting, amending and monitoring legislation, responding to proposed regulations, creating public policy strategies for proper positioning, and writing and presenting testimony to legislative standing committees. Dykema also assists clients in forming and administering trade associations and political action committees, as well as in complying

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with campaign finance regulations. Dykema's expertise and intimate interaction in the lawmaking process provide an unparalleled advantage to our clients.

Insurance Related Litigation

Dykema's team of "tremendous," "well prepared" and "very skilled" litigators (*Chambers USA*, 2011 and 2012) provides high quality and high value counseling services, as well as trial and appellate experience. Dykema has trial-ready insurance industry teams with experience litigating virtually every type of insurance coverage case and trying bet-the-company cases. Our insurance lawyers are already knowledgeable about your industry and the issues challenging it, and our litigation team members have first chair trial experience that few firms can match.

From straight forward two-party cases to complex multi-district litigation, "bet-the-company" cases and class action lawsuits, Dykema's litigation attorneys are the go-to trial lawyers for the insurance industry. As one of the nation's preeminent trial law firms for business, our lawyers routinely try cases to successful defense verdicts. It is no surprise that we have obtained positive outcomes in defending class actions for many Fortune 500 clients, including insurance industry leaders.

The types of cases we routinely handle for our insurance industry clients include the following:

- **Coverage disputes:** Dykema's insurance industry team delivers prompt, efficient and effective insurance coverage counsel. From providing initial advice to preparing coverage opinions, negotiating coverage disputes when warranted and litigating them when necessary, our insurance lawyers deliver. Our insurance litigators have handled coverage disputes involving primary, excess and umbrella coverages in the state and federal courts, including declaratory judgment actions, class actions, consumer fraud claims and other coverage-related matters under general liability, commercial property, business interruption, professional liability, officer and director liability, employment practices, workers compensation and

other commercial policies, and under life, accident, disability and health policies. Our attorneys have litigated precedent-setting cases and are on the cutting edge of complex coverage litigation in these and other areas. And, while always prepared to win at trial, our lawyers are also mindful that the client's underlying business considerations must guide strategy decisions and that most coverage disputes have potential ramifications well beyond the scope of the then-current lawsuit.

- **Bad faith defense:** Whether based on allegations of bad faith denial of coverage, delay or failure to investigate, failure to settle within policy limits, or related claims, Dykema's insurance litigators have substantial experience defending insurers against bad faith claims. Our attorneys have successfully tried numerous liability, first party property, life, health, disability, and other complex bad faith claims throughout the United States, including vanishing premium cases, disability rescission disputes, deceptive marketing claims and the panoply of claim denial and settlement-related issues. Our strong litigation experience in this area also makes us a good choice for advice on how to avoid this type of litigation.



- **Class actions:** When a business is hit with a class action lawsuit, it needs Dykema—a leading class action defense firm with an enviable record of success in defending high-stakes insurance class action cases. Start to finish, our lawyers excel in effectively and efficiently handling all aspects of class action defense, from initial analysis and investigation to pleading challenges, pre-emptive motions to strike, discovery, opposing certification, trial, and appeal. Dykema lawyers have a proven record of successfully representing our insurance industry clients in a wide variety of class actions from consumer fraud, unfair trade and/or marketing practices and coverage disputes to ERISA claims.

With over 350 attorneys and other professionals and deep collective experience in more than 65 practice areas, Dykema serves many aspects of the U.S. insurance industry from twelve offices strategically located across the country.

- **National/regional counsel and pattern and practice litigation:** Dykema also has vast experience serving as national and regional coordinating, trial and discovery counsel for our insurance clients. We know how to handle and oversee pattern and practice litigation to further the client's goals, enhance efficiency and avoid the pitfalls caused by asserting inconsistent litigation, settlement or discovery positions. We have the geographic presence, technological platform, and smart, experienced trial counsel to provide our insurance clients with real results and exceptional value in the role of national or regional counsel.

- **High stakes commercial disputes:** With decades of experience in commercial litigation, from administrative actions to complex multistate matters, Dykema's trial attorneys bring seasoned professionalism to the courtroom in business and commercial matters. We have litigated matters pertaining to business breakups, contracts, warranties, Uniform Commercial Code issues, real estate and virtually every other type of commercial or business dispute imaginable. Helping our clients stay out of court by preventing or limiting liability is a key element of our approach to business disputes. To support fully our clients and their business needs, Dykema attorneys always explore

with clients the risks and benefits of all available strategies, such as creative alternative dispute resolution methods, mediation, arbitration and/or settlement.

Corporate Finance and Institutional Investments

Dykema has extensive experience representing participants across the investment management industry, including insurance companies, investment companies, investment advisers and broker-dealers, in connection with their investments in both debt and equity in both public and private companies. Because of the Firm's extensive experience with regulated industries, we provide our insurance clients the

requisite finance expertise and regulatory insight needed to bring complex financings to a successful conclusion, while complying with the provisions of the Investment Company Act of 1940, the Investment Advisers Act of 1940 and other regulatory provisions.

In recent years, a number of states have established Certified Capital Company programs (CAPCO programs) to attract investment in emerging businesses into their states. Under such programs, states provide tax credits to insurance companies in exchange for which those companies provide initial seed money for investing in state-domiciled businesses. Dykema has substantial experience representing insurance companies making investments pursuant to CAPCO programs in a number of states.

Formations, Mergers and other Transactions

Dykema provides comprehensive securities, transactional and business consulting services to domestic and foreign insurance companies, reinsurers and agencies. Our *Chambers USA*-ranked corporate/mergers and acquisition practice helps our insurance industry clients in company and agency formations, mergers and acquisitions, capital market transactions, acquisition and disposition blocks of business in reinsurance transactions, mutualizations and demutualizations, product creation and design, and licensing issues. We work with our insurance industry clients on every phase of their transaction, from conceptualization, formulation and due diligence to negotiation, documentation and implementation and on into operation, to smooth the way for the sustained success of their businesses. Using a cross-disciplinary approach supported by attorneys from a variety of practice groups, we consider all of the regulatory, financial and practical concerns unique to the insurance industry when successfully guiding our clients through their important transactions.

Insurance Company Insolvencies and Guarantee Funds

Our insurance lawyers are well versed in the laws that create and govern the complex state-based insurance insolvency infrastructure. We regularly represent state property and casualty insurance guaranty funds in



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addressing their unique coverage issues and, in connection therewith, have litigated many important matters of first impression through the trial courts, intermediary appellate courts and on through the highest state courts of appeal. In this capacity, we routinely interact with insurance regulators, receivers and insurance company representatives who sit on the state guaranty funds' Boards of Directors. Dykema's experience also includes working directly with the National Conference of Insurance Guaranty Funds (NCIGF), an association of the property and casualty insurance guaranty associations in all 50 states, plus the District of Columbia, Puerto Rico and the Virgin Islands.

We also have represented receivers and liquidators of insolvent estates and have pursued litigation against former officers and directors of the insolvent insurance companies on behalf of such clients. Our attorneys are members of the International Association of Insurance Receivers (IAIR), participating in and speaking at IAIR meetings.

Self-Insured Pools and Statutorily Created Insurance Associations

Dykema insurance lawyers regularly represent the interests of intergovernmental self-insured pools and statutorily created non-profit insurance associations, including entities that service state school districts, and the residual markets for automotive and workers' disability compensation insurance, and that facilitate payments for No-Fault personal protection benefits to persons catastrophically injured in automobile accidents. We help these non-profit associations interpret and implement their operating agreements or enabling legislation, and to operate consistent with industry or statutory mandates. As with the guaranty fund work, our representation of intergovernmental pools and statutory associations often requires us to litigate important issues of contract and statutory interpretation through multiple levels of appeal.

Employment and Operational Matters

We provide complete employment, labor, employee benefits and executive compensation counsel to our clients, from executive contracts and compensation to employee stock option plans, and from confidentiality

and non-competition agreements to compliance with federal and state employment and labor laws. For clients facing immigration issues, we can help with the issuance of H1-B visas to foreign professionals.

We also can help clients with their general operational legal needs, such as corporate governance, tax and contracting issues.

Real Estate and Facilities

Our Insurance Industry Group includes members from Dykema's nationally recognized real estate practice (*Chambers USA* and *Midwest Real Estate News*) to help our clients with their facility projects, and provide both legal and strategic guidance to ensure projects are timely completed in a cost-effective manner. Clients wishing to expand and grow their companies benefit from solutions that address their building, construction and leasing and/or equipment purchase and leasing needs. In addition, the wide ranging experience of Dykema's professionals in the real estate, environmental, and tax groups allows our clients to confidently rely on Dykema as their sole source of legal services for all aspects of their important projects.



The Dykema Difference

What distinguishes Dykema is our unparalleled commitment to client service delivered through our "my client, my partner" approach to the practice of law. Dykema hires and retains the best and the brightest talents and instills in all Dykema attorneys and every other employee our signature unyielding commitment to client satisfaction. When we say we "partner with our clients," we do it. Our attorneys are passionate about knowing and understanding our clients' businesses, markets and challenges. If it keeps you up at night, we don't sleep either. Through focused industry groups—such as the Insurance Industry Group—our attorneys study all aspects of their client's industries. Bottom line: **we make it our business to know your business.**



Exceptional service. Dykema delivers.

Dykema is a leading national law firm, serving businesses worldwide on a wide range of complex business issues. For outstanding results, unparalleled service and exceptional value: Dykema delivers.

Unparalleled Service

Dykema stands behind its promise of superior service with a comprehensive set of principles and approaches developed consistent with the Association of Corporate Counsel's Value Challenge and our own century of experience. Dykema's client service commitment is our pledge not to meet, but to exceed, client expectations.

Outstanding Results

Our litigators are widely known as fierce and successful advocates. They are the "go to" trial lawyers for businesses and have successfully handled virtually every type of civil dispute. Our transactional lawyers are equally as well known for their tenacity, practicality and excellence in achieving client goals. Simply put, Dykema delivers.

Exceptional Value

Our vast experience, sophisticated level of practice and industry-leading technology synergize to provide Dykema the ability to give our clients the fullest range of services at exceptional value without jeopardizing quality or effectiveness. Our professionals, in turn, turn that ability into reality, delivering extraordinary value to every client in every engagement.

Dykema is committed to delivering clients the best in service, results and value, and that is what Dykema delivers: our best, today, tomorrow and every day. That is the Dykema difference.