



## News

### Scott Seaman Discusses How Bankruptcy Filings by Policyholders Present Challenges for Insurers

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Scott Seaman, Hinshaw partner and Chicago-based co-chair of Hinshaw's Global Insurance Services Practice Group, discussed in a recent *Law360 Insurance Authority* article how a company's filing for bankruptcy presents challenges for its insurers.

Seaman said that carriers have already "learned the hard way" about navigating the bankruptcy process when company policyholders first started filing for bankruptcy to resolve their asbestos-related liabilities.

"In general, the bankruptcy of the policyholder can take away an insurer's rights, remedies and defenses," he said. "It can create additional challenges for insurers, and they often must take steps to protect their interests." Those interests, he adds, include reaching a neutral liquidation or reorganization plan, how the assignability of claims is resolved, and the procedures for distributing proceeds from the trust.

[Read the full article](#) (*subscription required*)

"Insurance Fights Can Complicate The Bankruptcy Labyrinth" was published by *Law360* on August 19, 2022.

#### Attorneys

Scott M. Seaman

#### Offices

Chicago