WALKER WILCOX
WALKER WILCOX MATOUSEK LLP

# BOB ARNOLD WINS APPEAL IN ILLINOIS APPELLATE COURT FOR THE FIFTH DISTRICT

Walker Wilcox attorney Bob Arnold recently won an appeal on behalf of Walker Wilcox's clients, a group of multiple general liability insurers, in the Illinois Appellate Court for the Fifth District.

The ruling affirmed the Circuit Court of Madison County's granting of a motion to dismiss. The dispute involved insurance coverage for the costs of environmental remediation at a site in Illinois. A subsequent purchaser of the property and other assets under a complex Asset Purchase Agreement (APA) alleged that the APA also transferred rights under historic insurance policies that had been issued to the seller over a period of almost 20 years. The subsequent purchaser brought an action in Madison County, IL against the seller's insurers, most of whom were represented by Walker Wilcox. The seller intervened, and thereafter Walker Wilcox, the seller and the other defendants sought and successfully won dismissal in the trial court on the basis that pre-APA policies, and rights under those policies, were not among the assets transferred by the APA. Plaintiff appealed the dismissal.

In a May 24, 2019 Supreme Court Rule 23 Order, the Fifth District Appellate Court ruled in favor of Walker Wilcox's clients and affirmed the dismissal. In so doing the Court accepted the argument that a review of the APA revealed no valid assignment of the insurance policies at issue. The Court noted that assets that the APA intended to transfer were described in exhaustive detail and with particularity, but the APA contained no reference to the subject policies at all. The Court also rejected arguments that "catch-all" provisions in the APA should be construed to encompass the policies at issue.

A copy of the Rule 23 Order is here: (PDF)