Arbitration in the Fifth – January 2026

February 18, 2026 Odean Volker

PRACTICES Litigation, International Arbitration

In January 2026, the Fifth Circuit continued its clarification of the role of Louisiana's anti-arbitration statute in insurance coverage disputes in *One Lakeside Plaza, L.L.C. v. Indian Harbor Ins. Co.* and *Police Jury of Calcasieu Par. v. Indian Harbor Ins. Co*. The Eastern District of Louisiana's *Baker Hughes Saudi Arabia Co. Ltd. v. Dynamic Indus., Inc.* ordered arbitration under the DIFC-LCIA Rules could be administered by the DCIA.

Opinion of the Fifth Circuit

One Lakeside Plaza, L.L.C. v. Indian Harbor Ins. Co., No. 24-30758, 2026 WL 50022 (5th Cir. Jan. 7, 2026 (per curiam). Order denying a motion to compel affirmed. As held in *Town of Vinton v. Indian Harbor Ins. Co.*, —— F.4th ——, 2025 WL 3513954 (5th Cir. Dec. 8, 2025), "La. R.S. 22:868 expressly prohibits arbitration agreements for insurance contracts covering property located in the state."

Police Jury of Calcasieu Par. v. Indian Harbor Ins. Co., No. 24-30696, 2026 WL 216528 (5th Cir. Jan. 27, 2026). Court found it lacked jurisdiction. "The Parish's insurance policy includes an identical endorsement provision to that at issue in [*Town of Vinton v. Indian Harbor Ins. Co.*] Accordingly, there is no foreign party to any arbitration agreement at issue in this case, nor any agreement that falls within the [New York] Convention's scope. Since the Convention's applicability is the sole basis for subject-matter jurisdiction, it follows that we lack it."

Opinions of United States District Courts

Motions to Compel Arbitration

Baker Hughes Saudi Arabia Co. Ltd. v. Dynamic Indus., Inc., No. CV 23-1396, 2026 WL 251711 (E.D. La. Jan. 30, 2026). Motion to compel granted. The parties had agreed to application of the "Arbitration Rules of the Dubai International Financial Center London Court of International Arbitration (DIFC-LCIA), with the seat of arbitration designated as the Dubai International Financial Centre." The DIFC-LCIA was dissolved by decree in 2021. The decree established the Dubai International Arbitration Centre (DIAC). In an appeal of the district court's prior order denying a motion to compel, the Fifth Circuit explained that "where the parties' dominant purpose was not to set an exclusive forum and instead was to arbitrate generally, courts will compel arbitration in an alternate forum." The Fifth Circuit also held that the parties' agreement designated a set of rules and not particular arbitral forum. Here, the district court ruled "that arbitration administered by the DIAC, seated in the DIFC as specified in [the parties' agreement], is capable of applying the DIFC-LCIA Rules in a manner consistent with the parties' dominant intent to arbitrate under the DIFC-LCIA Rules."

Nicholas Servs, LLC v. Cellco P'ship, No. 3:25-CV-117-DMB-JMV, 2026 WL 210314 (N.D. Miss. Jan. 27, 2026) (wireless service and equipment). Motion to compel granted. Under New York law, "[w]here the parties have agreed generally to submit to arbitration all disputes arising out of the contract or any dispute relating to the meaning and interpretation of the underlying agreement, they

have adopted a broad arbitration clause." "[W]hether an arbitration agreement applies to intentional conduct turns on the language of the arbitration agreement itself, not some general prohibition against arbitrating intentional conduct claims."

Med. Ctr. Phcy, LLC v. Optumrx, Inc., No. 3:25-CV-106-DMB-JMV, 2026 WL 228258 (N.D. Miss. Jan. 28, 2026) (Mississippi Pharmacy Benefit Prompt Pay Act). Motion to compel granted. When the "parties' contract delegates the arbitrability question to an arbitrator, the courts must respect the parties' decision as embodied in the contract." A "valid delegation clause requires the court to refer a claim to arbitration to allow the arbitrator to decide gateway arbitrability issues." The parties' agreement provided that the "arbitrator(s) shall decide any and all questions regarding arbitrability or the formation, scope, validity, and/or interpretation of the parties' agreement to arbitrate." The court found there was a "valid arbitration agreement and a delegation clause . . . and because [plaintiff did not] challenge the delegation clause itself, the arbitrator must determine the gateway arbitrability issues."

Columbia Hosp. at Med. City Dallas Subsidiary, L.P. v. Anthem Health Plans of Virginia Inc., No. 3:25-CV-0689-X, 2026 WL 36075 (N.D. Tex. Jan. 6, 2026) (medical expense reimbursement). Motion to compel granted. A Rule 12(b)(3) motion is "a proper method for seeking dismissal in favor of arbitration." A third-party non-signatory may compel arbitration under the doctrine of equitable estoppel when the signatory "raises allegations of substantially interdependent and concerted misconduct by both the nonsignatory and one or more signatories to the contract.

Hunsinger v. Parking Revenue Recovery Services, Inc., No. 3:25-CV-2227-N-BW, 2025 WL 3960913 (N.D. Tex. Dec. 4, 2025), report and recommendation adopted, 2026 WL 78028 (Jan. 9, 2026) (Fair Debt Collection Practices Act). Motion to compel denied. Defendant sought to collect parking fees. Signs in the parking lot indicated that by using the facility, users agreed to arbitration. Plaintiff denied parking the car in the lot and denied owning the car at the time it was parked. "Having failed to show by a preponderance of the evidence that [plaintiff] parked the car and thereby assented to the terms posted on signs, [defendant] has not established that he entered into any agreement to arbitrate any dispute."

Chaudhry v. Rezy Group, Inc., No. 3:25-CV-1322-X, 2026 WL 237596 (N.D. Tex. Jan. 29, 2026) (note). Motion to compel granted. Where an "action is intertwined with, and dependent upon, that contract, its arbitration agreement should be given effect." Courts in the Fifth Circuit apply, "direct benefits estoppel to bind a non-signatory to an arbitration agreement when the non-signatory exploits the contract containing the arbitration clause and obtains a direct benefit from that contract."

Elmihi v. Paypal Holdings, Inc., No. 2:25-CV-00025, 2026 WL 92046 (S.D. Tex. Jan. 13, 2026). Motion to compel granted in part. Where parties "clearly and unmistakably" agree to arbitrate arbitrability, the issue of whether claims fall within the scope of arbitration is one for the arbitrator, not the court. Sarbanes-Oxley whistleblower claims are non-arbitrable pursuant to the statutes anti-arbitration provision.

Motions to Confirm or Vacate an Award

Newby v. Treyled Life Settlements, LLC, No. 4:25-CV-0866, 2025 WL 4053870 (S.D. Tex. Nov. 19, 2025) (Bryan, Mag. J.), report and recommendation adopted, 2026 WL 115945 (Jan. 15, 2026). Award confirmed. "When determining whether an arbitrator so exceeded his powers to justify relief under [Federal Arbitration Act] section 10(a)(4), the question for the district court is not whether the arbitrator construed the parties' contract correctly, but whether the arbitrator construed the parties'

contract at all." "[N]o non-statutory grounds for vacatur, including violation of public policy and manifest disregard of the law, remain viable."