

Van Houten in Law360: 5 Argument Techniques for Policyholder Advocates

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PRACTICES Insurance Recovery

Haynes Boone Partner [Greg Van Houten](#) authored an article for *Law360* with five tips for policyholder advocates to consider when arguing their interpretation of an insurance policy is the best one.

Read an excerpt below.

Winning or losing an insurance coverage dispute often comes down to who has articulated the more compelling interpretation of the relevant policy language. Knowing this, the best policyholder advocates think long, hard and creatively about how to argue that their interpretation of the insurance policy is the best one.

This article summarizes five tips for policyholder advocates to consider when attempting to advance such an argument. The tips are based on real policyholder victories, including the one in *Prime Insurance Co. v. XXXV Club*, as decided on Dec. 13 by the U.S. District Court for the District of Utah.

1. Remind the court of the purpose of insurance.

One of the most influential insurance coverage decisions in history, the U.S. Court of Appeals for the District of Columbia Circuit's 1981 ruling in *Keene Corp. v. Insurance Co. of North America*, was based in part on the simple but powerful idea that the purpose of insurance is to insure. Indeed, in considering whether a policyholder was covered by insurance for certain asbestos liabilities, the court wrote as follows:

In construing the policies' coverage of liability for asbestos-related diseases, our objective must be to give effect to the policies' dominant purpose of indemnity. An insurance contract represents an exchange of an uncertain loss for a certain loss. In a comprehensive general liability insurance policy, the uncertain loss is the possibility of incurring legal liability, and the certain loss is the premium payment. By issuing the policy, the insurer agrees to assume the risk of the insured's liability in exchange for a fixed sum of money. At the heart of the transaction is the insured's purchase of certainty — a valuable commodity.

Policyholder advocates often leverage this "purpose of insurance" argument in their briefs and motions, especially when there is no clear precedent or policy language that supports their position. That's exactly what the policyholder did in *Twin City Fire Insurance v. Lundberg*, a 2021 summary judgment brief filed in the U.S. District Court for the Western District of Washington, stating that, "[c]ourts applying Washington law strictly construe exclusions against the insurer because they are contrary to the protective purpose of insurance." The court granted the policyholder's motion, finding that no exclusions to coverage applied.

2. Scour the policy for provisions that amplify your argument.

The best policyholder advocates always read the entire policy, including sections that might not

seem relevant to the dispute at hand. They do so because sometimes they can find provisions that amplify or support their argument, or that undermine the insurer's argument.

To read the full article from *Law360*, click [here](#).