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## Responding to Time-Limited Demands for Policy Limits: Reasonableness, Safe Harbors; Obtaining Summary Judgment

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October 19, 2022  
Strafford Webinars

### DATE & TIME

Wednesday, October 19, 2022 | 1:00 p.m. - 2:30 p.m. EDT

This CLE course will guide counsel in responding to time-limited demands for payment of the policy limits without drawing a claim for bad faith. The panel will discuss controlling law and statutes, requests that do and do not trigger insurer obligations, safe harbors that may excuse a response, and strategies for summary judgment should a bad faith claim be filed.

### Description:

A time limited policy limits demand to a defendant's insurer is a **frequent tool used by plaintiff's lawyers in an attempt to force crucial decisions on limited information**. They have the capacity to force crucial decisions, sometimes with limited information and with very little time to decide. Bad faith liability can arise from the improper rejection or non-payment of a time-limited demand, often without showing intentional wrongdoing or motive.

What constitutes a valid demand that triggers the obligation to respond and what constitutes a proper response has generated a broad body of case law. **Statutory or judge-made "safe harbors" may allow a range of responses**, but these rules can be narrowly construed and easily misinterpreted.

If a bad faith claim is filed, the reasonableness standards that apply in a time-limited demand situation make summary judgment **challenging but by no means impossible**, as demonstrated by recent decisions in key jurisdictions.

Listen as this experienced panel of insurance attorneys guides counsel through responding to time-limited demands and offers a roadmap to summary judgment if a bad faith case is filed.

### Speakers:

- Scott F. Bertschi,  
Partner,  
Clyde & Co US
- Rachel E. Hudgins,

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Attorney,

Hunton Andrews Kurth

- Jay M. Levin, Shareholder,

Flaster Greenberg

- Kimberly Parson,

Partner,

Rebar Kelly

**Outline:**

1. Essential elements of a policy-limit, time-limit demand
2. Standards for evaluation of time-limited demands
  1. Statutory
  2. Common law
  3. Covered vs. uncovered claims
3. Safe harbors
4. Roadmap to summary judgment if bad faith alleged

**Benefits:**

The panel will review these and other key issues:

- Who can make a time-limited demand, and is client consent required?
- Does the insurer have a duty to settle or a duty to make reasonable settlement decisions?
- Must the demand include any particular information?
- What is the importance of releases, indemnification, and lien treatment offered or omitted from a demand?
- Can the insurer consider coverage defenses or questionable liability when responding?

**ATTORNEYS MENTIONED**

Jay Levin