

# **Bond Case Briefs**

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## **INSURANCE - NEW YORK**

### **Town of Amherst v. Granite State Ins. Co., Inc.**

**Court of Appeals of New York - June 1, 2017 - N.E.3d - 2017 WL 2365246 - 2017 N.Y. Slip Op. 04321**

Town brought action against special excess liability insurer, arising from dispute over whether insurer was entitled to recover any of the postjudgment interest on payment by third party pursuant to settlement of town's indemnification claims arising out of underlying personal injury action.

The Supreme Court, Erie County, denied insurer's motion to compel arbitration and granted town's motion for permanent stay of arbitration. The Supreme Court, Appellate Division, affirmed as modified. Town appealed.

The Court of Appeals held that issue of whether later agreement between parties affected arbitrability of dispute should be resolved by arbitrator.

Under terms of parties' special excess liability insurance policy, which incorporated rules of American Arbitration Association, issue of whether later agreement between parties affected arbitrability of dispute over whether insurer was entitled to recover any postjudgment interest on payment of third party pursuant to settlement of insured's indemnification claims arising from underlying personal injury claim should be resolved by arbitrator.