

Bond Case Briefs

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INSURANCE . - ILLINOIS

Evergreen Real Estate Services, LLC v. Hanover Insurance Company

Appellate Court of Illinois, First District, First Division - November 4, 2019 - N.E.3d - 2019 IL App (1st) 181867 - 2019 WL 5704599

Insured, which was residential property manager, brought action against liability insurer, seeking declaration that insurer had duty to defend insured under professional liability insurance policy in tenants' class action and seeking damages for bad faith denial of insurance claim.

On cross-motions for summary judgment, the Circuit Court granted summary judgment in favor of insured as to issue of duty to defend but granted summary judgment to insurer on bad-faith claim. Insurer appealed, and insured cross-appealed.

The Appellate Court held that:

- City residential landlord tenant ordinance was not unequivocally consumer protection law that fell under policy's exclusion for claims arising from unfair and deceptive business practices, including local consumer protection laws;
- Claims in underlying class action did not unequivocally represent claims for unfair or deceptive business practices subject to policy's exclusion for claims arising from unfair and deceptive business practices; and
- Insurer put forth good-faith defense to coverage, and thus sanctions for bad-faith denial of insurance claim were unwarranted.