

# Verizon Communications – 100% of Costs Recovered

Representing Verizon Communications Inc. in seeking insurance coverage for approximately \$120 million in defense and settlement costs incurred in connection with a fraudulent conveyance lawsuit brought by a litigation trustee appointed in the bankruptcy of FairPoint Communications, Inc., Meredith successfully briefed motions for partial summary judgment and judgment on the pleadings that resulted in a February 2021 ruling that Verizon was entitled to recover 100% of its approximately \$24 million in defense costs and to pursue coverage for the remaining \$95 million settlement. In a case of first impression, the Delaware Superior Court held that the underlying claim fell within the defendant insurers' "Securities Claim" coverage because the fraudulent conveyance claims were derivative claims by a trustee "standing in the shoes" of debt securities holders of a Verizon subsidiary covered by the policies.