

FOR IMMEDIATE RELEASE

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KEVIN T. MULHEARN, P.C. & BURNS BAIR LLP SECURE KEY EARLY WIN FOR NEW YORK SEXUAL ABUSE SURVIVORS IN COVERAGE ACTION CHALLENGING CHUBB’S ALLEGED BAD FAITH AND DECEPTIVE “NO-PAY” BUSINESS PRACTICES AND POLICIES IN SEXUAL ABUSE CASES

New York, NY, April 14, 2025 – On April 10, 2025, the United States District Court for the Eastern District of New York granted the motion by a former student at Poly Prep Country Day School (“Poly Prep”) in Brooklyn, New York, identified as “Jonah Doe” (“Jonah”), for leave to file a lawsuit against Aetna Insurance Company (“Aetna”) and Federal Insurance Company (“Federal”), two subsidiaries of insurance giant Chubb INA Holdings, Inc. (collectively, “Chubb”). The Third-Party Complaint alleges that Chubb engaged in bad faith and deceptive business practices by refusing to settle his New York Child Victims Act (“CVA”) case against Poly Prep, which was insured by the Chubb entities. The federal court held that Jonah had sufficiently stated claims for relief for breach of contract, bad faith, and, most importantly, violations of Section 349 of the New York General Business Law against the Chubb entities.

Plaintiff’s attorney, Kevin T. Mulhearn, Esq., stated:

“The federal court’s ruling provides a road map for obtaining recoveries against insurance companies who refuse to settle sexual abuse claims fairly, promptly, and in good faith. The outrageous conduct of the Chubb entities in this case forced our client to settle with Poly Prep for less than the full amount of the stipulated judgment that we obtained but gave Jonah the right to proceed directly against the insurer for the remainder. Given insurers’ stone-walling conduct toward sexual abuse survivors throughout New York, the Court’s threshold approval of our settlement framework at the pleadings stage offers a promising potential route for survivors to receive greatly expedited payments from insurers.”

Plaintiff’s attorney, Timothy Burns, Esq., stated:

“This is huge. The Eastern District of New York Court’s Opinion & Order puts Chubb and other like-acting insurers on notice that bad faith, dilatory, and deceptive insurance practices in New York will no longer be tolerated by the courts—and that aggrieved CVA plaintiffs like Jonah are entitled to fair and expedited legal redress.”

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