

Fifth Circuit Holds Additional Insureds Lack Coverage for Contractual Liability

The 5th U.S. Circuit Court of Appeals has affirmed a lower-court decision declining to broaden additional insured coverage afforded under a commercial general liability policy to energy operator Apache Corporation to contractual liabilities assumed by energy service provider Linear Controls, Inc., writes **David J. Saltaformaggio** of **Phelps Dunbar**.

The 5th Circuit “found that Apache was specifically named as an additional insured, not a named insured, and only named insureds are entitled to contractual liability coverage under a commercial general liability policy,” according to **the article**. “In so doing, the Fifth Circuit dismissed Apache’s arguments that the scope of its additional insured coverage should be expanded to include its named insured’s contractual obligations.”

Read the article.