

First Circuit Affirms Confirmation of Arbitration Award

The First U.S. Circuit Court of Appeals has ruled in *First State Ins. Co. v. National Casualty Co.*, a case involving reinsurance and retrocessional agreements, that the agreements between the parties contained an honorable engagement provision, which directs the arbitrators to consider each agreement as an honorable engagement, not merely a legal one.

A post by Baker & McKenzie and posted on Lexology discusses the case in detail.

The court hadn't considered such a clause before, but the clause empowers arbitrators to grant forms of relief not explicitly mentioned in the underlying agreement. "Thus, because the arbitrators were authorized to grant equitable remedies, and because the reservation of rights procedure in the award was such a remedy, there was no basis to vacate the award," the post explains.

[Read the article.](#)