

Settlement Ends Insurer's Contract Dispute After \$5.5M Arbitration Award

Attorney **Richard Robbins** said his client, Noble Systems, agreed to a "slightly discounted" settlement after he moved to enforce a \$5.5 million arbitration award against Infinity Insurance and its parent, Kemper Corp.

An insurer paid a "slightly discounted" settlement after an arbitrator ordered it pay more than \$5.5 million to a call-center company after the insurer tried to rescind a contract a few months after signing.

The arbitration award included nearly \$800,000 in fees for the **Robbins Ross Alloy Belinfante Littlefield** lawyers who handled the case on behalf of Atlanta-based Noble Systems Corp.

The settlement notice was filed by lawyers for Kemper Corp. Thursday after Noble filed an application to confirm the award last week in U.S. District Court for the Northern District of Georgia.

Kemper and its subsidiary Infinite Insurance had sought about \$500,000 in damages, according to the arbitration award.

Firm partner Richard Robbins said the settlement was a "very satisfactory" resolution to the dispute, although he said it was "a little annoying to have to push to confirm the arbitration award."

"That's the whole point of arbitration, so you don't have to go to court," said Robbins, who handled the case with firm colleagues **Jeremy Littlefield** and **Daniel Monahan**.

The dispute originated with Birmingham-based Infinity, which merged with Kemper last year. Infinity and Kemper were represented by Stephen Cotter, Myrece Johnson and Lauren Woodrick of Swift, Currie, McGhee & Hiers, and Paul Veith of Sidley Austin's Chicago office.

The Daily Report could not obtain a response from a Kemper representative or its lawyers on Thursday.

According to Robbins and court filings, Infinity contracted with Noble in late 2017 to provide software and other technical support for the insurer's call center.

Noble "negotiated a 60-page contract for months before they signed," said Robbins. "This is a highly complex, highly customized large-scale system."

The contract was signed in September 2017; in February 2018, Kemper announced that it was acquiring Infinity.

"Infinity filed a contract challenge eight days later," said Robbins. "We thought it was because they were in the process of being acquired by Kemper and just didn't want to pay the money."

Infinity argued that the contract was not binding or, alternatively, that Noble had fraudulently misrepresented its product and breached the contract; it sought \$477,080 it paid Noble plus interest, attorney fees and expenses.

Over Infinity's objections Noble sought to enforce the contract's binding arbitration clause, which Atlanta JAMS mediator R. Wayne Thorpe ruled was enforceable.

"The case produced almost 1,400 pages of transcript, more than 500 exhibits, and nearly 300 pages of pre- and post-hearing briefs," wrote Thorpe in his January ruling in favor of Noble.

Thorpe declared that Infinity had attempted to breach the contract, and awarded Noble \$4,448,198 in damages, plus \$781,244 in attorney fees and more than \$300,000 in prejudgment interest.

The total sum Noble sought to confirm was \$5,550,197.

"They just didn't seem to take us seriously, either when we filed the arbitration or when we said we intended to enforce promptly," Robbins said.