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Spencer Kook Authors Article Providing a Claims Manager's Guide to Class Action Exposure

Byline in the *Claims Journal*

In The News | 1 min read
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Hinshaw partner Spencer Kook recently authored a byline in the *Claims Journal* exploring why class action exposure demands early identification, disciplined reserving, and strategic coordination across every layer of a coverage tower.

As class action litigation continues to grow rapidly in both scale and cost, Spencer emphasizes the importance of claims managers identifying potential class exposure early and proactively managing legal claims.

Spencer's Takeaways

The Certification Stage

- Class certification is one of the most consequential stages of a class action.
- Claims managers can help defense counsel challenge class certification by identifying differences in state law, individual facts, and claims-handling circumstances among proposed class members.

Strategic Implications of Defending Class Actions

- Claims managers should ensure defense counsel evaluates early dispositive motions, including motions to dismiss and motions to strike class allegations, before the costs of class and merits discovery begin to compound.

Resolving Class Actions

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- Depending upon the jurisdiction, class settlements can involve cash funds, claims-made structures, coupons, or injunctive relief, each with distinct financial and reserving implications.

Insurance Coverage Implications

- Class actions present unique coverage challenges involving the duty to defend, reservation of rights, policy triggers, allocation across policy periods and layers, and consent-to-settle provisions.

Spencer's Practical Tips for Claims Managers

- **Act early** by identifying and quantifying potential class exposure before litigation escalates.
- **Challenge certification strategically** to substantially reduce potential exposure and litigation costs.
- **Coordinate the coverage tower** to keep primary and excess carriers informed and aligned, reducing the risk of coverage gaps and late-notice disputes.
- **Monitor bad faith exposure** arising from strict time-limit demands and document the rationale behind significant strategy changes.

Read the full article

- *Claims Journal:* "Navigating the Storm: A Claims Manager's Guide to Class Action Exposure, Coverage and Reserves" (November 5, 2026)

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