

No.

In the Supreme Court of the United States

HDI GLOBAL SE,

Petitioner,

v.

SUPERIOR COURT OF CALIFORNIA,
LOS ANGELES COUNTY

AND

C&C NORTH AMERICA, INC.,
d/b/a COSENTINO NORTH AMERICA,

Respondents.

**On Petition for a Writ of Certiorari to the
Court of Appeal of California, Second Appellate District**

PETITION FOR A WRIT OF CERTIORARI

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QUESTION PRESENTED

This case presents a longstanding and acknowledged conflict among federal and state courts regarding the exercise of specific personal jurisdiction over insurance companies.

Under the Due Process Clause, a state court may exercise specific personal jurisdiction over a defendant only if the defendant “purposefully avails” itself of the privilege of conducting activities within the forum State. Petitioner is a German insurance company with no activities in California. Petitioner was nevertheless held by a California state court to be subject to personal jurisdiction in California in an insurance-coverage dispute with the Florida-based affiliate of its Spanish insured. The sole basis for the court’s assertion of personal jurisdiction was that, in the insurance policy, petitioner had extended defense and indemnity coverage to the insured on a worldwide basis—which was deemed to constitute purposeful availment by petitioner of the benefits of doing business in California. That holding reflects a split that has been acknowledged for four decades and has divided the federal courts of appeals 2-8 and state courts of last resort 6-5.

The question presented is:

Whether an insurer may constitutionally be subjected to personal jurisdiction in every forum within the geographic scope of a territory-of-coverage provision in an insurance policy, on the theory that a worldwide provision constitutes purposeful availment of the privilege of conducting activities within any and all jurisdictions.

PARTIES TO THE PROCEEDING

Petitioner HDI Global SE was the petitioner on the petition for a writ of mandate below and a defendant in the trial court.

Respondent Superior Court of California, Los Angeles County was the nominal respondent on the petition for a writ of mandate below.

Respondent C&C North America, Inc., d/b/a Cosentino North America is the real party in interest and the plaintiff in the trial court.

CORPORATE DISCLOSURE STATEMENT

Petitioner HDI Global SE is 100% owned by Talanx AG (TLX), which, in turn, is majority owned by HDI V.a.G.

RELATED PROCEEDINGS

Supreme Court of California:

HDI Global SE v. Superior Court of Los Angeles County, No. S295132 (Apr. 15, 2026)

Court of Appeal of California, Second Appellate District:

HDI Global SE v. Superior Court of Los Angeles County, No. B351840 (Jan. 28, 2026)

Superior Court of California, Los Angeles County:

C&C North America, Inc. d/b/a Cosentino North America v. ACE Property and Casualty Insurance Co., et al., No. 24STCV18642 (Dec. 18, 2025)

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OPINIONS BELOW

The decision of the Supreme Court of California denying a petition for review (App., *infra*, 1a) is unreported. The decision of the Court of Appeal of California denying petitioner's petition for a writ of mandate (App., *infra*, 2a) is unreported. The decision of the Superior Court of California, Los Angeles County, denying petitioner's motion to quash service of summons (App., *infra*, 3a-11a) is unreported.

JURISDICTION

The Supreme Court of California denied the petition for review on April 15, 2026. On July 8, 2026, Justice Kagan extended the time within which to file a petition for

a writ of certiorari to and including September 12, 2026. The jurisdiction of this Court is invoked under 28 U.S.C. § 1257(a). The final disposition of a writ of mandate is a final judgment under 28 U.S.C. § 1257(a). See *Burnham v. Superior Court*, 495 U.S. 604, 608 (1990) (plurality opinion) (reviewing California appellate court’s personal-jurisdiction holding following the court’s denial of mandamus relief); see also *Madruga v. Superior Court*, 346 U.S. 556, 557 n.1 (1954).

CONSTITUTIONAL PROVISION INVOLVED

The Due Process Clause of the Fourteenth Amendment, U.S. Const. Amend. XIV, § 1, provides:

[N]or shall any state deprive any person of life, liberty, or property, without due process of law.

INTRODUCTION

This case squarely presents a longstanding conflict over a jurisdictional question that affects hundreds of millions of Americans and nearly every business: whether an insurer purposefully avails itself of every forum within the geographic scope of a territory-of-coverage provision in an insurance policy.

More than thirty-five years ago, the Ninth Circuit “recognize[d] that a minority of state courts” had held that such provisions do not subject the insurer to personal jurisdiction. *Farmers Ins. Exch. v. Portage La Prairie Mut. Ins. Co.*, 907 F.2d 911, 914 (1990). Decades later, appellate courts from New York to Texas continue to recognize that “[t]here is a split in authority as to whether the existence of a territory of coverage clause constitutes sufficient contact with the forum state to support specific jurisdiction.” *Repwest Ins. Co. v. Country-Wide Ins. Co.*, 85 N.Y.S.3d 24, 28 (App. Div.

2018) (emphasis added). Over the decades, the federal courts of appeals have produced a deep 2-8 split on the issue, with the majority of circuits incorrectly holding that such provisions do subject the insurer to jurisdiction. State courts of last resort, for their part, have broken 6-5 in the other direction, with a bare majority reaching the correct conclusion that territory-of-coverage clauses do not establish personal jurisdiction over a foreign insurer.

The controlling precedent that led to the trial court decision below is a paradigmatic example of the wrong side of the split. The trial court here held that petitioner HDI Global SE (“HDI”)—a German insurance company with no offices, no business, no property, no bank accounts, and no registered agent in California—is subject to specific personal jurisdiction in California solely because its insurance policy provides worldwide defense and indemnity coverage. App., *infra*, 7a-8a. The court reached that conclusion even though the policy was negotiated and executed in Spain between the Spanish branch of a German company (petitioner) and a Spanish counterparty (respondent’s affiliate) and was written in Spanish, with premiums paid in Euros. That counterintuitive conclusion is wrong.

The correct view is that adopted by the Seventh Circuit, in then-Judge Barrett’s opinion for the court in *Lexington Insurance Co. v. Hotai Insurance Co.*, 938 F.3d 874 (2019): Territory-of-coverage provisions may define the scope of the insurer’s obligation *to the insured*, but they *are not contacts with the forum State*.

The stakes are massive. The U.S. property and casualty insurance industry wrote just shy of \$1 trillion in net premiums in 2025 alone. An enormous share of those policies contain broad territorial provisions extending

coverage across the United States or worldwide, like the policy at issue here.

The question also implicates the approximately 285 million registered vehicles in the United States, roughly 85% of which carry auto insurance with nationwide coverage provisions. Under the majority rule, every insurer issuing such a policy is presumptively subject to personal jurisdiction wherever a covered claim might arise—converting standard insurance policies into nationwide consents to suit.

The consequences for foreign insurers are just as extreme: HDI, a German company with zero contacts with California, was hauled across an ocean to defend a breach-of-contract action on a Spanish insurance policy. And the split produces inconsistent outcomes within *the same region* depending solely on whether a plaintiff files in state or federal court.

This jurisdictional mess is untenable, and it will not dissipate on its own. Four decades and twenty-eight different relevant appellate courts (including state intermediate appellate courts) offer plenty of evidence that this issue merits this Court’s review.

STATEMENT

A. Legal Background

“The Fourteenth Amendment’s Due Process Clause limits a state court’s power to exercise jurisdiction over a defendant.” *Ford Motor Co. v. Montana Eighth Jud. Dist. Ct.*, 592 U.S. 351, 358 (2021). For personal jurisdiction, the nonresident defendant must have certain “minimum contacts” with the forum State, such that the exercise of jurisdiction does not offend “traditional notions of fair

play and substantial justice.” *International Shoe Co. v. Washington*, 326 U.S. 310, 316 (1945) (citation omitted).

This Court recognizes two kinds of personal jurisdiction: general and specific. “A state court may exercise general jurisdiction only when a defendant is ‘essentially at home’ in the State.” *Ford*, 592 U.S. at 358 (citation omitted). That “all-purpose” jurisdiction extends to “any and all claims” brought against a defendant; the claims “need not relate to the forum State or the defendant’s activity there.” *Ibid.* (citation omitted).

Specific jurisdiction is much narrower. That “case-linked” form of personal jurisdiction exists only when there is a “strong” relationship among the defendant, the forum, and the underlying controversy. *Ford*, 592 U.S. at 358, 365. To establish specific jurisdiction, the plaintiff must show that the defendant has “purposefully avail[ed] itself of the privilege of conducting activities within the forum State.” *Hanson v. Denckla*, 357 U.S. 235, 253 (1958).

To satisfy the “purposeful availment” requirement, the plaintiff must show that the defendant created contacts with the forum State “by, for example, ‘exploit[ing] a market’ in the forum State or entering a contractual relationship centered there.” *Ford*, 592 U.S. at 359 (quoting *Walden v. Fiore*, 571 U.S. 277, 285 (2014)). “[T]he plaintiff cannot be the only link between the defendant and the forum.” *Walden*, 571 U.S. at 285.

Finally, “personal jurisdiction requires a forum-by-forum, or sovereign-by-sovereign, analysis.” *J. McIntyre Mach., Ltd. v. Nicastro*, 564 U.S. 873, 884 (2011) (plurality opinion). “Because the United States is a distinct sovereign, a defendant may in principle be subject to the

jurisdiction of the courts of the United States but not of any particular State.” *Ibid.*

B. Factual And Procedural Background

1. Petitioner HDI is a German insurance company organized and existing under the laws of Germany. App., *infra*, 11a, 14a, 28a. HDI is not registered or licensed to sell insurance in the State of California. HDI does not conduct any business in California. HDI has no offices or mailing addresses in California. HDI has never paid any taxes in California. HDI has never owned any property in California. HDI has never maintained any bank accounts in California, nor does it have a registered agent there for service of process. *Id.* at 28a.

C&C North America, Inc., respondent and party in interest, is the U.S. affiliate of Cosentino S.A.U., a Spanish company that produces and distributes engineered stone products for surfaces in architecture and design. C&C North America is a Delaware corporation with its principal place of business in Florida. App., *infra*, 14a, 27a.

HDI, through its Spanish branch, issued to Cosentino S.A.U. a commercial liability insurance policy (the “Master Policy”) that covered Cosentino for losses arising from certain activities related to Cosentino’s work manufacturing and distributing its stone products. See App., *infra*, 14a. The negotiations for the Master Policy occurred in Spain. Cosentino S.A.U. paid the premium for the Master Policy to HDI in Spain in Euros. *Id.* at 17a. The Master Policy was delivered to Cosentino S.A.U. in Spain and was written in Spanish. *Id.* at 29a, 35a, 47a.

The Master Policy includes a list of “Insured Companies” that are affiliated with Cosentino S.A.U. and are covered by the policy. App., *infra*, 35a-40a, 47a-53a.

One of those listed companies is respondent C&C. *Id.* at 38a, 50a. None of the listed Insureds is located in California.

The Master Policy’s “Special Conditions, Territorial Scope” contains a territory-of-coverage clause that provides for coverage of certain losses worldwide. It states, in relevant part: “the coverage of this insurance is extended to Legal Civil Liability of a non-contractual nature for claims arising and asserted throughout the world, including the USA/Canada and except for those coverages that establish a different territorial scope.” App., *infra*, 41a;¹ see *id.* at 7a.

The Master Policy also contains provisions describing HDI’s role with respect to legal claims brought against the Insureds. Among them, and as relevant to the decision below, the policy’s “Special Conditions, Costs of Defense and Imposition of Bonds” states that “coverage is extended, within the limits of the agreed indemnity, to the defense costs of the Policyholder and/or the Insured, as well as the payment of fees and expenses of any kind to be borne by this party * * * arising from claims covered as civil liability.” App., *infra*, 41a-42a;² see *id.* at 7a.

¹ The quoted language comes from C&C’s English translation of the Master Policy. HDI’s translation of the provision submitted to the trial court is the same in all material respects, stating: “the cover of this insurance is extended to Legal Liability of a non-contractual nature for claims occurring and claimed throughout the world including USA/Canada.” App., *infra*, 53a.

² The quoted language again comes from C&C’s English translation of the Master Policy. Under HDI’s translation of the policy submitted to the trial court, the relevant provision states that “the cover extends, within the limit of indemnity agreed, to the costs of defence of the Policyholder and/or Insured as well as the payment of fees and expenses of all kinds for which he is responsible * * * arising from the

2. C&C has been named in more than 150 personal-injury lawsuits across the United States. App., *infra*, 28a. The plaintiffs in those cases allege that they were exposed to harmful materials while working with C&C products, causing bodily injuries. Many of the personal-injury lawsuits against C&C have been filed in California state court.

In July 2024, C&C sued its property and casualty insurers in the Superior Court of California, Los Angeles County, adding HDI as a defendant in an amended complaint. C&C’s lawsuit alleges that the insurers owe C&C defense and indemnification for the personal-injury lawsuits. HDI was served with the amended complaint at its office in Germany under the Hague Convention on the Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters. App., *infra*, 28a.

HDI moved to quash service for lack of personal jurisdiction. HDI argued that the California trial court lacked both general and specific personal jurisdiction over HDI because HDI was not at home in California and “has no contacts with California,” App., *infra*, 6a—and because all relevant activities regarding the Master Policy (negotiations, delivery, and payment of premiums) took place in Spain.³ See *id.* at 26a-34a.

claims covered as civilly liable.” App., *infra*, 54a. The Master Policy also contains provisions stating that the insurer shall assume legal management of legal proceedings brought by third parties and “be responsible for any expenses incurred” in connection with such proceedings. *Id.* at 45a, 57a. The trial court did not cite or rely on those other provisions.

³ C&C’s complaint also named HDI Global Insurance Company, a U.S. subsidiary of petitioner HDI, as a defendant. HDI Global Insurance Company has an office in California; petitioner HDI has no offices anywhere in the United States. HDI Global Insurance

C&C conceded that HDI was not subject to general jurisdiction in California. App., *infra*, 6a. But C&C claimed that HDI nonetheless “availed itself of the benefits of doing business in California by contracting to cover Plaintiff for tort claims arising in California.” *Ibid*.

The California trial court denied HDI’s motion to quash, holding that it could exercise specific personal jurisdiction over HDI. App., *infra*, 8a. The court applied *Southeastern Express Systems v. Southern Guaranty Insurance Co.*, 40 Cal. Rptr. 2d 216 (1995)—the longstanding and controlling California precedent on the issue. App., *infra*, 6a-8a.

Southeastern Express ruled that California courts can exercise personal jurisdiction over an insurer if the insurer “wrote an insurance contract obligating it to defend and indemnify” the insured “in the ‘coverage territory,’ defined as [t]he United States of America (including its territories and possessions), Puerto Rico and Canada.” 40 Cal. Rptr. 2d at 219. *Southeastern Express* justified its holding on the ground that, if an insurer had “sold its policy as one providing nationwide coverage and collected insurance premiums calculated upon that broad coverage,” it derived “benefit from the economic market of all states in which [the insured] faced potential business liability, including California.” *Ibid*. And, because the defendant “agreed to defend [the insured] against lawsuits in California,” it “should reasonably have anticipated being called into our courts.”

Company issued separate insurance policies to C&C that are not at issue here, and HDI Global Insurance Company was not a party to the motion to quash.

Ibid.; see App., *infra*, 6a (quoting *Southeastern Express*, 40 Cal. Rptr. 2d at 219).

The California trial court here explained that the “two Special Conditions” in the Master Policy extend “coverage to non-contractual claims (such as tort claims) arising in the United States and to defense costs within the limits of that indemnity.” App., *infra*, 7a-8a. It then concluded that “[t]he reasoning in *Southeastern Express Systems* applies,” for two reasons. *Id.* at 8a.

First, according to the court, “[b]ecause the Master Policy can be interpreted as stating that it covers and provides a defense for non-contractual claims arising in the United States, Defendant benefited from collecting insurance premiums calculated upon that broad coverage throughout the United States including in California.” App., *infra*, 8a. Second, “because Defendant agreed to defend Plaintiff against lawsuits in California, it should reasonably have anticipated being called into California courts.” *Ibid.* Thus, the court concluded, “[t]his is sufficient to establish purposeful availment.” *Ibid.*

HDI petitioned the California Court of Appeal for a writ of mandate directing the trial court to grant the motion to quash service. HDI’s petition argued that “HDI did not purposefully avail itself of the benefits and protections of California.” App., *infra*, 21a. The Court of Appeal denied the petition. *Id.* at 2a.

HDI then petitioned the Supreme Court of California for review. HDI argued that “the Superior Court’s reliance upon *Southeastern Express* is questionable given recent developments in the law regarding personal jurisdiction.” App., *infra*, 15a. HDI explained that the trial court’s decision effectively converts specific personal jurisdiction into “a loose and

spurious form of general jurisdiction,” contrary to this Court’s decision in *Bristol-Myers Squibb Co. v. Superior Court*, 582 U.S. 255 (2017). App., *infra*, 16a (quoting 582 U.S. at 264). The court denied the petition for review. *Id.* at 1a.

REASONS FOR GRANTING THE PETITION

Whether an insurer avails itself of every forum within the geographic scope of a territory-of-coverage provision is the subject of a longstanding, acknowledged split of authority among federal and state courts. The issue has practical significance to hundreds of millions of Americans and nearly every business, as well as stakes for American courts’ interaction with foreign companies. The decision below—involving a dispute between two European companies about an insurance policy written in Europe—is a poster child for the incorrect approach. That incorrect approach has been firmly entrenched in California case law for three decades, and this case is an ideal vehicle to resolve this issue. The Court should grant certiorari.

I. There Is A Deep And Openly Acknowledged Split On The Question Presented

Two federal courts of appeals and six state courts of last resort have correctly ruled that insurers do not purposefully avail themselves of every forum State in which they agree to extend coverage to their insureds.

But the majority of appellate courts to have addressed the issue—including the First, Fourth, Sixth, Eighth, Ninth, Eleventh, and D.C. Circuits, joined by five state courts of last resort—hold that insurers are subject to personal jurisdiction wherever they agree to cover their insureds, even if they have no other contacts with

the forum. The split is intolerable and will not resolve without this Court’s intervention.

1. The Fifth and Seventh Circuits, along with the highest courts of Florida, South Dakota, New Jersey, Alabama, Montana, and Arizona, hold that an insurer does not create a cognizable contact or avail itself of every forum within the scope of the entire coverage territory of its policy. See *Shambaugh & Son, L.P. v. Steadfast Ins. Co.*, 91 F.4th 364, 374 (5th Cir. 2024); *Lexington Ins. Co. v. Hotai Ins. Co.*, 938 F.3d 874, 884 (7th Cir. 2019); *Ex parte Kentucky Farm Bureau Mut. Ins. Co.*, 428 So. 3d 21, 29 (Ala. 2025); *Davis v. Otten*, 978 N.W.2d 358, 368 (S.D. 2022); *Carter v. Mississippi Farm Bureau Cas. Ins. Co.*, 109 P.3d 735, 740 (Mont. 2005); *Waste Mgmt., Inc. v. Admiral Ins. Co.*, 649 A.2d 379, 389 (N.J. 1994); *Batton v. Tennessee Farmers Mut. Ins. Co.*, 736 P.2d 2, 6-7 (Ariz. 1987); *Meyer v. Auto Club Ins. Ass’n*, 492 So. 2d 1314, 1315 (Fla. 1986).

In several States in which the court of last resort has not resolved the issue, intermediate appellate courts come out the same way. *Whitehead v. MemberSelect Ins. Co.*, No. 2025-CA-1029, 2026 WL 1109161, at *5 (Ky. Ct. App. Apr. 24, 2026); *D.F. Pray, Inc. v. Wesco Ins. Co.*, 218 N.E.3d 652, 663 (Mass. App. Ct. 2023); *Repwest Ins. Co. v. Country-Wide Ins. Co.*, 85 N.Y.S.3d 24, 28 (App. Div. 2018); *Bahn v. Chicago Motor Club Ins. Co.*, 634 A.2d 63, 71-72 (Md. Ct. Spec. App. 1993).

The courts on this side of the split reason that, although a territory-of-coverage provision may define the insurer’s obligation *to the insured*, such a provision does not constitute a contact *with the forum State*. That is because the insurer does not “do business” in a forum merely by agreeing to cover losses that the insured

happens to incur in that forum, and the insured's contact with the forum is not attributable to the insurer. Those courts also recognize that the contrary view subjects the insurer to personal jurisdiction virtually everywhere in the Nation—the antithesis of specific personal jurisdiction.

A leading decision reflecting this approach is then-Judge Barrett's opinion for the Seventh Circuit in *Lexington Insurance Co. v. Hotai Insurance Co.*, 938 F.3d 874 (2019). There, the court held that the insurers “did not make any purposeful contact with Wisconsin by promising to indemnify [the insured] for liability and defense costs that it incurred anywhere in the world.” *Id.* at 884.

Lexington involved Taiwanese insurance companies that had issued worldwide products-liability insurance policies to Taiwanese companies supplying parts to Trek Bicycle Corporation, a Wisconsin company. 938 F.3d at 876. As part of their agreements with the suppliers, the insurers recognized Trek as an “additional insured” covered by the policies. *Ibid.* In a coverage dispute, Trek's primary insurer sued the Taiwanese insurers in Wisconsin seeking indemnification and defense costs for a products-liability settlement. *Id.* at 876-877.

In holding that the insurers were not subject to personal jurisdiction in Wisconsin, the Seventh Circuit explained that the “worldwide coverage” clause in the policies “defined the territorial scope of the insurers' obligation to Trek” but that “the presence of a state within the scope of coverage creates no purposeful connection between the insurers and *that state*.” 938 F.3d at 882. The court rejected the plaintiff's argument for jurisdiction premised on the theory that the insurers earned higher

premiums for the policy by offering coverage over a larger geographic scope. “[G]aining a financial benefit by including Wisconsin in a territory of coverage,” the court explained, “is not the equivalent of ‘doing business in’ Wisconsin.” *Id.* at 881 (citation omitted). The court also rejected the plaintiff’s argument that jurisdiction was proper merely because the insurers could have foreseen being haled into a Wisconsin court. *Ibid.*

The Fifth Circuit recently reached the same conclusion in *Shambaugh & Son, L.P. v. Steadfast Insurance Co.*, 91 F.4th 364 (2024). The court cut right to the core of the issue: “Accepting [plaintiff’s] argument would allow for specific personal jurisdiction against nationwide insurers virtually anywhere.” *Id.* at 374. The court explained that such a sweeping view of specific personal jurisdiction would “overstep the careful boundaries of specific personal jurisdiction recently articulated by the Supreme Court in *Ford*,” which had “reiterat[ed] the well-established standard for purposeful availment.” *Ibid.*

The Fifth and Seventh Circuits’ decisions adopt the approach taken by a number of state high courts holding—in cases new and old—that insurers are not subject to personal jurisdiction merely by virtue of a policy including the forum in the territory of coverage.

Just last year, for example, the Supreme Court of Alabama held that “the fact that [the insurer] has contracted to provide [the insured] with liability coverage in a tort action brought against her anywhere in the United States does not mean it has the minimum contacts with Alabama that are necessary to give the circuit court personal jurisdiction over it.” *Kentucky Farm Bureau*, 428 So. 3d at 29. Or, as the Supreme Court of South

Dakota emphasized in 2022, the insured’s loss in the forum is a result of its own “unilateral actions”—and so the forum court “cannot exercise personal jurisdiction over a nonresident insurer on the basis of a breach of contract claim between a non-resident insured and non-resident insurer who has not engaged in significant activities within the state.” *Davis*, 978 N.W.2d at 368.⁴

Those recent state cases reach the same (correct) result that the Supreme Courts of Florida and Arizona reached decades ago. Forty years ago, the Supreme Court of Florida held that personal jurisdiction over an insurer is not “coterminous with the policy’s territorial coverage.” *Meyer*, 492 So. 2d at 1315. A year later, the Supreme Court of Arizona reasoned that “[e]xtension of nationwide coverage by an insurer may make lawsuits by insureds in foreign jurisdictions reasonably foreseeable, but state jurisdiction over foreign defendants is impermissible *unless the defendant [insurer], not the plaintiff [insured], has purposefully directed its activities at the forum state.*” *Batton*, 736 P.2d at 6 (emphasis added).

Courts on this side of the split have rejected the notion that the so-called “duty to defend” that is common in American insurance law, when coupled with the territory-of-coverage provision, creates personal jurisdiction over the insurer—particularly where the dispute is a coverage dispute between the insurer and insured. For example, the Supreme Court of Montana held that, “while [the insurer] could reasonably anticipate

⁴ As the Appellate Division of the New York Supreme Court has explained, “[t]here is a qualitative distinction between contracting to cover an insured under a territory of coverage clause and the insurer of the policy being amenable to being haled into court anywhere.” *Repwest*, 85 N.Y.S.3d at 28.

that its insured could suffer an injury within its fifty-state coverage area, thus triggering its duty to defend and indemnify, the foreseeability of that injury—without more—is not sufficient to subject the insurer * * * to specific personal jurisdiction within Montana’s courts.” *Carter*, 109 P.3d at 740. And the Supreme Court of Arizona similarly held that an insurer’s “agreement to defend and indemnify [the insured] in any state does not imply an agreement to allow its own insured to bring suit in any state.” *Batton*, 736 P.2d at 7.⁵

In sum, a critical mass of federal and state appellate courts hold the (correct) view that an insurer does not create contacts with and avail itself of every forum in which it has agreed to cover its insured’s losses.

2. In sharp contrast, the First, Fourth, Sixth, Eighth, Ninth, Eleventh, and D.C. Circuits, and arguably the Tenth, along with high courts in Connecticut, Texas, Nevada, Minnesota, and Arkansas, hold that an insurer purposefully avails itself of every forum State in which it has agreed to cover its insured. See *ESAB Grp., Inc. v. Zurich Ins. PLC*, 685 F.3d 376, 392 (4th Cir. 2012); *TH Agric. & Nutrition, LLC v. ACE Eur. Grp. Ltd.*, 488 F.3d

⁵ Because there was no separate duty-to-defend clause in *Lexington*, the Seventh Circuit nominally held open the prospect that such a clause could have made a difference. 938 F.3d at 882. But nothing in the court’s reasoning suggests that it would have. Such a duty does not change the court’s core reasoning: that the territory-of-coverage clause defines the insurer’s obligations to the insured, but “creates no purposeful connection between the insurers and *that state*.” *Ibid*. Indeed, *Lexington* stated that the defendants there “did not make any purposeful contact with Wisconsin by promising to indemnify Trek for liability *and defense costs* that it incurred anywhere in the world.” *Id.* at 884 (emphasis added).

1282, 1290 (10th Cir. 2007);⁶ *Ferrell v. West Bend Mut. Ins. Co.*, 393 F.3d 786, 791 (8th Cir. 2005); *McGow v. McCurry*, 412 F.3d 1207, 1215 (11th Cir. 2005), abrogated on other grounds by *Diamond Crystal Brands, Inc. v. Food Movers Int'l, Inc.*, 593 F.3d 1249 (11th Cir. 2010); *Payne v. Motorists' Mut. Ins. Cos.*, 4 F.3d 452, 456 (6th Cir. 1993); *Farmers Ins. Exch. v. Portage La Prairie Mut. Ins. Co.*, 907 F.2d 911, 914 (9th Cir. 1990); *Rossmann v. State Farm Mut. Auto. Ins. Co.*, 832 F.2d 282, 287 (4th Cir. 1987); *Eli Lilly & Co. v. Home Ins. Co.*, 794 F.2d 710, 721 (D.C. Cir. 1986); *Commonwealth of Puerto Rico v. S.S. Zoe Colocotroni*, 628 F.2d 652, 670 (1st Cir. 1980); *Samelko v. Kingstone Ins. Co.*, 184 A.3d 741, 753-754 (Conn. 2018); *Arbella Mut. Ins. Co. v. Eighth Jud. Dist. Ct.*, 134 P.3d 710, 714 (Nev. 2006); *Domtar, Inc. v. Niagara Fire Ins. Co.*, 533 N.W.2d 25, 33-34 (Minn. 1995); *Szalay v. Handcock*, 819 S.W.2d 684, 687 (Ark. 1991); *Guardian Royal Exch. Assur., Ltd. v. English China Clays, P.L.C.*, 815 S.W.2d 223, 231-232 (Tex. 1991).

In several States in which the court of last resort has not resolved the issue, intermediate appellate courts come

⁶ The Tenth Circuit has given conflicting signals about its approach. In *OMI Holdings, Inc. v. Royal Insurance Co. of Canada*, 149 F.3d 1086 (1998), the court distanced itself from the Fourth, Ninth, and D.C. Circuits, saying that it was “troubled” by those cases, which in its view leaned on flawed “foreseeability” rationales. *Id.* at 1095. But in *TH Agriculture*, the Tenth Circuit wrote in dicta that “insurers quite clearly avail themselves of the privilege of conducting business in a forum state when that state is included in an insurance policy’s territory of coverage.” 488 F.3d at 1290 (emphasis added). Because *TH Agriculture* ultimately concluded for case-specific reasons that it would offend notions of “fair play and substantial justice” to subject the insurer to personal jurisdiction in that case, its purposeful-availing observation was unnecessary to the decision. *Id.* at 1297-1298.

out the same way. *Leggett v. Smith*, 686 S.E.2d 699, 706 (S.C. Ct. App. 2009); *Pace Commc'ns Servs. Corp. v. Express Prods., Inc.*, 945 N.E.2d 1217, 1225-1226 (Ill. App. Ct. 2011); *Southeastern Express Sys. v. Southern Guar. Ins. Co.*, 40 Cal. Rptr. 2d 216, 219-222 (Ct. App. 1995).

The courts on this side of the split generally give two main justifications for their conclusions.

The first justification is the one squarely rejected by the Seventh Circuit in *Lexington*—namely that, by offering broad territorial coverage, the insurer is able to charge higher premiums for the policy, and is thus deriving a financial benefit by including the forum within the scope of the policy. For instance, in *Payne*, the Sixth Circuit stated that “[t]he fact that [the insurer] chose to provide coverage for all fifty states—indeed, such coverage is almost certainly the only kind of marketable auto insurance—constitutes purposeful availment of any individual state’s forum.” 4 F.3d at 456.

Or consider the Eighth Circuit’s explanation for why jurisdiction was proper in *Ferrell*: “[The insurer] presumably offered a broad ‘coverage territory’ in order to make its policies more marketable and profitable.” 393 F.3d at 791. The Eleventh Circuit has likewise emphasized that the insurer “charged its premiums and made profits” on the basis of its nationwide coverage. *McGow*, 412 F.3d at 1216 n.5. The court for that reason held that “the district court properly exercised personal jurisdiction over [the insurer] in Georgia where its territory-of-coverage clause included Georgia and the accident occurred in Georgia.” *Id.* at 1216 & n.5; see also *Arbella*, 134 P.3d at 714 (“[The insurer] cannot expect to gain financial benefits from having a nationwide territory

clause without expecting to incur the burden of having to participate in nationwide litigation.”).

Southeastern Express, the California precedent relied on by the trial court below, deployed the same financial-benefit rationale. Jurisdiction was proper in that case, the court held, because the insurer “sold its policy as one providing nationwide coverage and collected insurance premiums calculated upon that broad coverage, thus deriving benefit from the economic market of all states in which appellants faced potential business liability, including California.” *Southeastern Express*, 40 Cal. Rptr. 2d at 219. Although the decision was reached by an intermediate appellate court, the Supreme Court of California has allowed the decision to stand for more than three decades and forwent the chance to revisit it in this very case.

The second justification offered by the courts in this camp connects the territory-of-coverage provision to the so-called duty to defend. The theory goes something like this: Because the insurer has a duty to defend its insured, and because the policy’s scope of coverage includes foreign States, the “expectation of being haled into court in a foreign state is an express feature of its policy.” *Rossman*, 832 F.2d at 286; see also *Farmers*, 907 F.2d at 914 (“[A]utomobile liability insurers contract to indemnify and defend the insured for claims that will foreseeably result in litigation in foreign states.”); *Samelko*, 184 A.3d at 753 (“Given that the defendant drafted an insurance policy expressly covering *nationwide* travel, it should have foreseen the need to defend and indemnify its insured as a result of collisions during *nationwide* travel.” (emphasis in original)).

There are myriad problems with that line of thinking.

First, the duty to defend defines the scope of the insurer's obligation *to the insured*—but it does not *target the forum State* in any way, shape, or form. Contractual obligations create contacts with the forum only when they “envision[] continuing and wide-reaching contacts” with the *forum State*. *Burger King Corp. v. Rudzewicz*, 471 U.S. 462, 480 (1985). An agreement to defend the insured does not constitute or envision any continuing and wide-reaching contact with the forum even if the insured were a resident of the forum State—which is not the case here. See *id.* at 478 (“If the question is whether an individual’s contract with an out-of-state party *alone* can automatically establish sufficient minimum contacts in the other party’s home forum, * * * the answer clearly is that it cannot.”).

Second, the “duty to defend” is a bit of a misnomer; it generally just means that the insurer will pay defense counsel and (at most) help formulate litigation strategy. The insurer does not by virtue of such an agreement become a party in the lawsuit against the insured. And not a single one of the numerous cases finding jurisdiction explains why agreeing to pay defense costs and help the insured’s litigation strategy somehow constitutes purposeful availment in every State within the insurance policy’s territory of coverage.

Finally, all of these cases are *insurance-coverage disputes*, usually between the insured and the insurer or between different insurers, about the policy’s terms. The cases *are not* the underlying action that the insurer has agreed to defend (*e.g.*, a tort action brought against the insured by its customers). So, even if an argument could plausibly be made that the insurer gave some sort of blanket consent to be called into an injured plaintiff’s

lawsuit against the insured, the insurer has not consented to being sued *by its insured* everywhere within the scope of the territory-of-coverage clause.

Among the reasons that many courts have lost their way on this issue appears to be a misguided belief that personal jurisdiction just works *differently* for insurance companies. The thought seems to be that involvement in litigation comes with being in the insurance business.

In *ESAB Group*, for instance, the Fourth Circuit wrote that there were “*unique aspects of the business of insurance* relevant to the evaluation of an insurer’s contacts with a forum.” 685 F.3d at 392 (emphasis added). The First Circuit appears to believe that this Court has suggested that “the test for measuring minimum contacts for insurance companies may be *somewhat less stringent* than for other nonresident corporations.” *SS Zoe Colocotroni*, 628 F.2d at 670 n.18 (emphasis added). And in *Certain Underwriters at Lloyd’s, London v. Henry Vogt Machine Co.*, a court of appeals in Texas read the Supreme Court of Texas’s precedent in *Guardian Royal* to have instructed that “foreseeability is especially pertinent when the nonresident defendant is an insurance company.” 712 S.W.3d 909, 935 (Tex. Ct. App. 2025). (Never mind that “foreseeability” is not the test for personal jurisdiction. See pp. 24-25, *infra*.)

Constitutional rules of personal jurisdiction should not apply differently to insurance companies. And courts across the Nation are split not merely on the bottom-line question of jurisdiction; they are diametrically divided on the jurisdictional significance of the very features common to nationwide coverage provisions.

3. The split of authority on the question presented is well recognized—and has been for decades. Nearly forty

years ago, in *Farmers*, the Ninth Circuit wrote: “We recognize that a minority of state courts have concluded that the Supreme Court’s decision in *World-Wide Volkswagen Corp. v. Woodson*, 444 U.S. 286, 297 (1980), precludes the exercise of personal jurisdiction over an insurer whose only contact with the forum is the issuance of the policy.” *Farmers*, 907 F.2d at 914 (citing the Supreme Court of Florida’s 1986 decision in *Meyer*).

Four decades later, courts on both sides of the split continue to recognize its existence. In holding that there was no personal jurisdiction over the insurer, for example, the Appellate Division of the New York Supreme Court observed that “[t]here is a split in authority as to whether the existence of a territory of coverage clause constitutes sufficient contact with the forum state to support specific jurisdiction.” *Repwest*, 85 N.Y.S.3d at 28.

On the other side, just last year, a court of appeals in Texas stated that it would not follow the Fifth Circuit’s decision in *Shambaugh* (which rejected personal jurisdiction), or similar decisions from federal district courts in Texas, because it was bound by the Supreme Court of Texas’s decision in *Guardian Royal* (which asserted personal jurisdiction). The court explained that “[t]hese opinions conflict with the *Guardian Royal* precedent, which does bind this court.” *Certain Underwriters*, 712 S.W.3d at 937. In addition, the court continued, the federal cases that it declined to follow “conflict with the opinions of a majority of the United States Courts of Appeals that have addressed this issue.” *Ibid.*

Thus, this case does not present an emerging question that the lower courts might resolve through further percolation. The split has been entrenched—and

intractable—for decades, with foundational decisions on both sides now four decades old. Courts have not coalesced over time; they have grown increasingly divided, with recent cases on both sides of the divide consciously rejecting the other and deepening the split. See, *e.g.*, *Repwest*, 85 N.Y.S. 3d at 28 (expressly disagreeing with the Fourth and Ninth Circuits); *Certain Underwriters*, 712 S.W.3d at 937 (declining to follow the Fifth Circuit). There is no trajectory toward consensus and no mechanism other than this Court’s review through which the conflict can be resolved.

II. The California Court Is Wrong

Certiorari should also be granted because the decision below is wrong.

HDI has no contacts with the State of California. It does not sell insurance or conduct business there, and it has no offices, no property, no registered agents, and no bank accounts there. The Master Policy was negotiated and signed between HDI and Cosentino S.A.U. in Spain, in Spanish, with the premiums paid in Euros. None of the Insureds under the policy, including C&C, is domiciled in California. Thus, under the traditional minimum-contacts analysis developed by this Court, HDI cannot be constitutionally subjected to personal jurisdiction in California. See *Walden v. Fiore*, 571 U.S. 277, 289 (2014) (defendant who never “traveled to, conducted activities within, contacted anyone in, or sent anything” to the forum was not subject to personal jurisdiction); *J. McIntyre Mach., Ltd. v. Nicastro*, 564 U.S. 873, 886 (2011) (plurality opinion) (holding that a business that had no offices, no employees, no targeted advertising, and no business in forum State did not have minimum contacts with the forum State).

That conclusion is reinforced by HDI's identity as a foreign company. Aptly noting the "unique burdens placed upon one who must defend oneself in a foreign legal system," this Court has cautioned that "[g]reat care and reserve should be exercised when extending our notions of personal jurisdiction into the international field." *Asahi Metal Indus. Co. v. Superior Court*, 480 U.S. 102, 114-115 (1987) (citation omitted). Among the many reasons for such circumspection is that foreign courts may subject American companies to equally far-reaching jurisdictional theories.

Despite all that (but faithfully applying controlling California precedent), the trial court held that HDI was subject to personal jurisdiction in California. Specifically, the court held that HDI was subject to personal jurisdiction in California because (1) the Master Policy states that it covers and provides defense costs for non-contractual claims arising in the United States; (2) "Defendant agreed to defend Plaintiff against lawsuits in California," and so "it should reasonably have anticipated being called into California courts"; and (3) HDI supposedly "benefited from collecting insurance premiums calculated upon that broad coverage throughout the United States including in California." App., *infra*, 8a.

As the Seventh Circuit observed in *Lexington*, however, the exercise of personal jurisdiction over an insurer based on the "foreseeability of litigation in foreign states" and "resulting financial benefits to the insurance company" is "inconsistent with [this Court's] precedent," 938 F.3d at 883 (citation omitted), for several reasons.

First, the fact that the Master Policy insures C&C for its losses worldwide does not constitute a connection between HDI and California. That provision of the policy defines the territorial scope of HDI's *obligation to C&C* but is not a connection that HDI has made *with California*. And "minimum contacts analysis looks to the defendant's contacts with *the forum State itself*." *Walden*, 571 U.S. at 285 (emphasis added).

The fact that C&C (the Insured) is subject to many lawsuits in California because it sold its products there is C&C's connection to California, not HDI's. It is black-letter law that "the plaintiff cannot be the only link between the defendant and the forum." *Walden*, 571 U.S. at 285. Contractual relationships can create a connection to the forum, but only if the contract "envision[s] continuing and wide-reaching contacts" with the forum State. *Burger King*, 471 U.S. at 480. The Master Policy's worldwide coverage provision does not fit that description.

Nothing about the Master Policy, which does not use the word California even once, "can be said to have targeted" California. *J. McIntyre*, 564 U.S. at 882 (plurality opinion). Even if an argument could be made that the policy targeted the United States as a whole by mentioning the "United States and Canada" in its worldwide territory-of-coverage provision (and such an argument would be wrong), that is not the same as targeting California, which is a separate sovereign. See *ibid.* (explaining that targeting the U.S. market as a whole is not targeting any individual State).

Second, the decision below is wrong to claim that, because HDI agreed to defend C&C "against lawsuits in California, it should reasonably have anticipated being

called into California courts.” App., *infra*, 8a. This case is a coverage dispute between HDI and C&C about the meaning of the Spanish insurance policy that C&C’s affiliate signed with HDI in Spain. It is not one of the actions against C&C in which HDI agreed to provide a defense.

HDI agreed in the policy’s Special Conditions, Costs of Defense and Imposition of Bonds, that “coverage is extended, within the limits of the agreed indemnity, to the defense costs of the Policyholder and/or the Insured, as well as the payment of fees and expenses * * * arising from claims covered as civil liability.” App., *infra*, 41a-42a; see *id.* at 54a. As the Supreme Court of Arizona put it forty years ago, an insurer’s “agreement to defend and indemnify [its insured] in any state does not imply an agreement to allow its own insured to bring suit in any state.” *Batton*, 736 P.2d at 7.

And even taking a more capacious view of portions of other General Conditions in the Master Policy that were not cited or relied on by the trial court, HDI agreed at most to “assume the legal management” of C&C’s defense and “be responsible for any expenses”—that is, to hire and pay C&C’s lawyers and oversee C&C’s legal strategy. App., *infra*, 45a, 57a.⁷ But agreeing to pay defense costs or manage litigation, even as the party’s principal (which HDI is decidedly not), does not subject that person or entity to personal jurisdiction. See *Daimler AG v. Bauman*, 571 U.S. 117, 136 (2014) (rejecting the theory

⁷ The fact that the trial court did not cite this language from the Master Policy’s General Conditions reflects the court’s belief that the agreement to pay defense costs arising from events occurring anywhere within the worldwide territory of coverage is enough to subject the insurer to personal jurisdiction.

that “appears to subject foreign corporations to general jurisdiction whenever they have an in-state subsidiary or affiliate”). Put simply, an agreement to pay an insured’s defense costs arising from a lawsuit in a State is not tantamount to the insurer *doing business in* the State.

Finally, any financial benefits that may have accrued to HDI (putting aside that C&C has offered no evidence of any) for having broad territorial coverage that includes the United States are incidental. Such possible benefits do not result from HDI “targeting” or “doing business in” California.

This Court has held that “financial benefits accruing to the defendant from a collateral relation to the forum State will *not* support jurisdiction if they do not stem from a constitutionally cognizable contact with that State.” *World-Wide Volkswagen*, 444 U.S. at 299 (emphasis added). That language squarely rejects the financial-benefits rationale used by the court below.

III. The Question Presented Is Recurring And Exceptionally Important, And This Case Is An Ideal Vehicle

The California precedent got one thing right: “The issue * * * is narrow, but important.” *Southeastern Express*, 40 Cal. Rptr. 2d at 218. Indeed, the widespread importance is hard to overstate. It affects hundreds of millions of Americans and virtually every business. Within that massive market, under the current approach that prevails in most circuits, the potential abuse of forum shopping is enormous.

1. Virtually every commercial enterprise of any size in the United States carries some form of property and casualty insurance. The United States property and casualty insurance industry wrote \$976.7 billion in net

premiums in 2025 alone.⁸ (By some estimates, gross insurance premiums account for approximately 12% of the United States' total GDP.)⁹ An enormous number of those policies—covering commercial general liability, products liability, professional liability, and excess coverage—contain broad territorial provisions extending coverage across the United States or worldwide. The standardized Insurance Services Office (ISO) Commercial General Liability policy provides for nationwide coverage and, subject to certain limitations, coverage for worldwide occurrences—underscoring the ubiquity of broad territorial provisions in modern commercial insurance policies.¹⁰

Under the incorrect but majority rule, every insurer issuing such a policy is presumptively subject to personal jurisdiction wherever a covered claim might arise, no matter how remote the insurer's actual connection to the forum. The question is not peripheral; it is the rule governing a market measured in the hundreds of billions of dollars annually.

Moreover, standard auto insurance policies sold in the United States similarly contain nationwide coverage provisions, making the legal question presented here of immediate concern to the majority of Americans who

⁸ Nat'l Ass'n of Ins. Comm'rs, *U.S. Property & Casualty and Title Insurance Industries – 2025 Full Year Results* (2026), <https://perma.cc/AE7N-CD36>.

⁹ OECD, *Global Insurance Market Trends 2025*, Annex A, Table A A.1 (2025), <https://perma.cc/38BL-CS9W>.

¹⁰ Ins. Servs. Office, Inc., Commercial General Liability Coverage Form (Form CG 00 01 04 13), § V.4 (2012).

currently own, or ever will own, a car.¹¹ According to the Federal Highway Administration, there were 284.6 million registered vehicles in the United States in 2023.¹² The Insurance Research Council estimates that approximately 85% of motorists carry auto insurance.¹³ The sheer number of Americans that this issue affects is staggering.

If the majority approach is correct, the insurer under each of those hundreds of millions of policies is subject to personal jurisdiction in all fifty States—converting every standard auto insurance policy into a nationwide consent to suit.

The issue also has exceptional importance to foreign insurers—as this case starkly illustrates. HDI is a German insurance company that is not registered or licensed to sell insurance in California; does not conduct business in California; and has no offices, mailing addresses, property, bank accounts, or registered agents in California. Yet HDI has been called across an ocean (and then a continent) to California to defend a breach-of-contract action on an insurance policy that it issued in Spain to Cosentino, a Spanish company. Such an outcome contravenes this Court’s admonition in *Asahi* for courts to take “[g]reat care” before extending personal jurisdiction over entities abroad. 480 U.S. at 115 (citation omitted).

¹¹ Ins. Servs. Office, Inc., Personal Auto Policy (Form PP 00 01 09 18), at 13 (2017).

¹² U.S. Dep’t of Transp., Fed. Highway Admin., *Highway Statistics: State Motor-Vehicle Registrations - 2023* (2024), <https://perma.cc/6W48-5V6J>.

¹³ Ins. Rsch. Council, *Uninsured and Underinsured Motorists: 2017-2023*, <https://perma.cc/KZ3H-XMC6> (last visited Sept. 8, 2026).

2. The forum-shopping consequences of the majority rule are also striking: Under the majority rule, the insured plaintiff enjoys virtually unlimited forum selection. A plaintiff may choose any of the fifty States as its litigation forum, confident that the insurer will be deemed to have purposefully availed itself of that State simply because its policy covers losses there (along with everywhere else in the world).

That outcome is flatly inconsistent with the fundamental rationale of the purposeful-availing requirement, which exists to give “a degree of predictability to the legal system that allows potential defendants to structure their primary conduct with some minimum assurance as to where that conduct will and will not render them liable to suit.” *World-Wide Volkswagen*, 444 U.S. at 297.

Compounding the problem, the split creates conflicting outcomes not only across regions, but within the same region, depending solely on whether the plaintiff files in state or federal court. See Stephen M. Shapiro et al., *Supreme Court Practice* § 4.9, at 4-29 (11th ed. 2019) (an “established reason for the grant of certiorari is the presence of a direct conflict between the decision of a court of appeals and that of the highest court of a state where that conflict concerns a federal question”).

State appellate courts have split from the approach taken by their federal regional circuits in Texas, Florida, Montana, Arizona, Massachusetts, South Dakota, Illinois, Kentucky, and Maryland. In those States, the constitutionality of haling an insurer into the foreign forum will turn on whether the plaintiff chose to bring suit in federal or state court. While some (but not all) of those state-court decisions are from intermediate appellate

courts, the state-versus-federal forum-shopping issues they create are just as problematic—and cry out for this Court’s intervention. See Shapiro § 4.9, at 4-30 (“Indeed, where the issue involves important principles of federal law, the Supreme Court may grant certiorari based on a conflict between a federal court of appeals and an intermediate state appellate court.”).

3. This case is an ideal vehicle to resolve this “narrow, but important,” issue. *Southeastern Express*, 40 Cal. Rptr. 2d at 218. The California trial-court decision contains no disputed factual issues and turns only on its application of controlling California precedent. The court’s jurisdictional analysis centers squarely on the legal question presented—whether HDI purposefully availed itself of California because its insurance policy extended defense and indemnity coverage to the insured on a worldwide basis. See App., *infra*, 7a-8a.

The fact that the Master Policy has both worldwide “coverage” and “defense” provisions enhances this case’s strength as a vehicle to resolve the issue. Both types of provisions are commonplace in insurance contracts, and both are implicated throughout the split. This Court can therefore solve the problem once and for all by granting review.

CONCLUSION

The petition for a writ of certiorari should be granted.

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