## UNITED STATES DISTRICT COURT EASTERN DISTRICT OF LOUISIANA

STONE GALLERY, LLC

CIVIL ACTION

VERSUS

No. 23-2088

INDEPENDENT SPECIALTY INSURANCE COMPANY ET AL.

**SECTION I** 

## ORDER & REASONS

Before the Court is a motion<sup>1</sup> by defendants Certain Underwriters at Lloyds, London and Other Insurers Subscribing to Binding Authority No. B6045105686220211 and Independent Specialty Insurance Company ("defendants") to compel arbitration and to stay, or alternatively dismiss, the above-captioned proceedings. Plaintiff opposes the motion to the extent that it seeks to dismiss the proceedings.<sup>2</sup> For the reasons below, the Court grants the motion in part and denies the motion in part.

Plaintiff and defendants agree<sup>3</sup> that this case must be stayed, and the Court concurs. Pursuant to 9 U.S.C. § 3, when an issue subject to an arbitration clause is raised in a federal court, the court "shall on application of one of the parties stay the trial of the action until such arbitration has been had in accordance with the terms

<sup>&</sup>lt;sup>1</sup> R. Doc. No. 9.

<sup>&</sup>lt;sup>2</sup> R. Doc. No. 11.

<sup>&</sup>lt;sup>3</sup> *Id.* at 2; R. Doc No. 15, at 3. Defendants originally sought either a stay or a dismissal of the proceedings. R. Doc No. 15. In their reply, however, defendants agreed that a stay is appropriate if the action is referred to arbitration. R. Doc No. 15, at 3.

of the agreement." As the arbitration clause of the insurance contract at issue in this case states that "[a]ll matters in dispute between [the plaintiff and defendants] in relation to this insurance, including this policy's formation and validity ... shall be referred to an Arbitration Tribunal," this dispute is properly referred to an Arbitration Tribunal and must be stayed pending a final decision by that Arbitration Tribunal. The Court retains its authority to address any issues that may remain following arbitration pursuant to 9 U.S.C. § 10. Accordingly,

IT IS ORDERED that the defendants' motion to compel arbitration is GRANTED and that all claims asserted in this matter be referred to arbitration pursuant to the policy.

IT IS FURTHER ORDERED that the defendants' motion to stay the proceedings is **GRANTED** pending completion of the arbitration process. The action may be reopened, on motion of a party, within 30 days of the completion of the arbitration proceedings.

IT IS FURTHER ORDERED that the defendant's motion to dismiss the proceedings is **DENIED**.

New Orleans, Louisiana, August 14, 2023.

LANCE M. AFRICK