

UNITED STATES DISTRICT COURT  
DISTRICT OF MASSACHUSETTS

CIVIL ACTION NO. 12-10976-RWZ

JAMES GORMAN INSURANCE, INC.

v.

PHILADELPHIA INDEMNITY INSURANCE COMPANY

ORDER  
June 13, 2012

ZOBEL, D.J.

Plaintiff James Gorman Insurance, Inc. (“Gorman”), served as a non-exclusive broker for defendant Philadelphia Indemnity Insurance Company (“Philadelphia”) in connection with the sale of custom surety bonds pursuant to a Surety Producer Agreement dated July 1, 2011. Philadelphia, in February 2012, gave notice to Gorman that it intended to terminate the Agreement effective July 6, 2012, but on May 4, it notified plaintiff of the immediate termination for a number of alleged breaches of the Agreement, including plaintiff’s failure to remit premiums. The parties agree that all disputes under the Agreement are subject to arbitration.

Plaintiff has filed a “Verified Complaint for Injunctive Relief in Aid of Arbitration” which seeks to maintain the status quo, including most specifically, plaintiff’s rights to continue to service existing bonds. Defendant countered with a cross-motion for a mandatory injunction requiring plaintiff to return all Philadelphia corporate seals which are needed to issue new bonds.

First, although both parties complain that the conduct of the other harms each, I am not persuaded that either has shown irreparable harm.

Second, any decision granting the injunctive relief requested by either party necessarily implicates the merits of the dispute which, as they agree, is for the arbitrator.

The motions for injunctive relief (Dockets ## 3 and 11) are denied.

\_\_\_\_\_  
June 13, 2012

DATE

\_\_\_\_\_  
/s/Rya W. Zobel

RYA W. ZOBEL

UNITED STATES DISTRICT JUDGE