

Are You Prepared for a Congressional Investigation?: Integrating Defense and Insurance Recovery Strategies

December 18, 2008

Kelley Drye has issued a Client Advisory reviewing broad strategies for companies or individuals that might expect to be the subject of a Congressional investigation. In the advisory we address the importance of a comprehensive, integrated, and forward-looking approach that, among other aspects, considers insurance as a resource for paying the company's costs of defending the investigation.

Recently, the House Committee on Oversight and Government Reform sent letters to nine banks seeking information and documents on the use of funds they received as part of the government's response to the financial crisis. While attention to financial institutions will likely take center stage in the near future, Congress is likely to also intensify its scrutiny of other industries such as health care service providers, government contractors, and food and drug manufacturers and importers. In the coming months many companies may find themselves under Congress's spotlight. Further, Congressional investigations often precede, and can provide ammunition for, ensuing civil and criminal litigation against a company.