Shannon M. O'Malley
Partner

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PRACTICE AREAS

- Bad Faith and Extra-Contractual Liability
- Breach of Contract
- Commercial Litigation
- Cyber Risk and Losses
- eDiscovery
- Insurance
- Pandemic Claims and Litigation
- Property Insurance

BAR AND COURT ADMISSIONS

- State Courts: Texas, Oklahoma, Missouri
- U.S. District Court: Northern, Southern, Eastern, and Western Districts of Texas
- U.S. Court of Appeals: Fifth Circuit

EDUCATION

- The University of Texas School of Law, J.D., 2002
- Saint Louis University, B.A., *summa cum laude*, 1999

Shannon is a partner in the firms Dallas office where she represents major insurance carriers involved in catastrophe litigation with a focus on complex property insurance coverage litigation.

Shannon focuses her practice on analyzing complex and novel property insurance coverage issues that require an understanding of the intricacies of property insurance, especially in connection with time element claims. She works on numerous property insurance issues arising out of catastrophes such as tornados, hurricanes, floods, and hail.

Shannon is at the forefront of legal issues affecting property insurance. She analyzed COVID-19 and its likely impact on property insurance before the pandemic took hold in the United States. And since that time, she has been the lead for several carriers in legal disputes attributable to the COVID-19 pandemic. She also has experience analyzing cryptocurrency claims and cyber issues.

Shannon provides advice and analysis to clients on coverage issues, pre-litigation strategy, dispute resolution, and litigation. She is a frequent writer and speaker on these topics.

Shannon also has appellate experience addressing property insurance claims and litigates e-Discovery issues and is the firms e-Discovery resource in developing best practices for the firm and its clients.

REPRESENTATIVE MATTERS

Insurance Coverage

Represents multiple property insurance carriers in ongoing litigation with various Tribal Nations who brought claims for lost income at casino enterprises related to the COVID-19 pandemic. (*See e.g. Cherokee Nation v. Lexington Ins. Co.*, 2022 OK 71 (Ok. 2022)).

Represented carrier in claim related to damage arising from temperature changes and won summary judgment on legal issues, which she also successfully defended at the Fifth Circuit (*Methodist Hospitals of Dallas v. Affiliated FM Ins. Co*.).

Represented property insurance carrier in responding to insureds claim arising from cyber-security breach. Also represented carriers in response to claim for cryptocurrency theft.

Represented property insurance carriers in a number of lawsuits concerning hail claims with late notice and concurrent causation issues. Draft legal brief to the Texas Supreme Court on the issue of concurrent causation.

Assisted in representing market of insurers in a $285 million arbitration arising out of corrosion occurring at a newly-built Texas refinery. Arbitration panel awarded no recovery in favor of insurers.

Represented property carrier in high-value and high-stakes coverage litigation in connection with Hurricane Katrina. Representation included multiple motions for summary judgment concerning the enforcement of a flood exclusion and proper measure of the insureds time element loss as well as significant electronic discovery disputes(*Northrop Grumman Corp. v. Factory Mutual Insurance Company*).

Represented property insurance carrier in a bankruptcy claim concerning a construction defect issue and faulty workmanship exclusion. Clarified law concerning the insured/debtors ability to sell property insurance claim(*Panda Energy International, Inc. v. Factory Mutual Insurance Company*).

Represented property insurance carrier in analyzing potential arson claim.

Represented property insurance carriers on multiple occasions concerning the applicability of coinsurance provisions under replacement cost and actual cash value policies.

Represented property insurance carriers in the context of builders risks claims and associated issues arising from those policies.

Represented market of property insurance carriers in arbitration concerning application of multiple exclusions arising out of energy loss.

Liability Insurance

Represented insurance carrier in monitoring and analyzing pending claims

arising out of Ponzi scheme brought against insured board member under E&O policy and contribution rights from other D&O carriers.

Represented D&O carrier to analyze risks of liability for pending claims arising out of class claims related to professional liability issues.

Subrogation

Represented insurance carriers to recover against third parties for losses at insureds properties.

ARTICLES & PRESENTATIONS

Yes, You Have to Go to Appraisal Texas Supreme Court Again Rules in Favor of Enforcing an Appraisal Provision, *The Zelle Lonestar Lowdown*, June 30, 2026, author

Privilege, Privacy and Peril: A Claims Professionals Guide to Generative AI, LEA Spring Meeting & Educational Conference, June 11, 2026, co-presenter

Bona Fide Dispute Displaces Bad Faith, *The Zelle Lonestar Lowdown*, March 27, 2026, author

Insurance Experts Need to Recognize the Importance of Causation When Issuing Reports, *The Zelle Lonestar Lowdown*, February 27, 2026, author

The Texas Concurrent Causation Doctrine Real World Applications, Zelle LLP What the Hail? Conference, February 12-13, 2026, presenter

No Restarting the Clock: Reinvestigating and Reaffirming Denial Does Not Affect a Valid Contractual Suit Limitations Period, *The Zelle Lonestar Lowdown*, January 29, 2026, author

Settled But Not Satisfied: Plaintiff Unsuccessfully Tries to Sidestep Mediated Settlement, *The Zelle Lonestar Lowdown*, December 22, 2025, author

"Holding an Insured to its Duties and Burdens," June 2, 2025, author

"The Great Doctrine of Prevention Debate," Insurance Law Section of the State Bar of Texas, May 29, 2025, co-presenter

Dont Get Nailed by Roofing Fraudsters!, PLRB 2025 Claims Conference, Indianapolis, IN, April 1 2, 2025, co-presenter

Same Song, Different Tune: Dallas Court of Appeals Rejects Insureds Breach of Contract and Bad Faith Allegations after 'Late' Payment of Appraisal Award, *The Zelle Lonestar Lowdown*, August 13, 2024, author

Texas Appellate Court Confirms COVID Does Not Cause Physical Loss or Damage, *The Zelle Lonestar Lowdown*, July 10, 2024, author

Texas Supreme Court Corrals Contractors, *The Zelle Lonestar Lowdown*, June 13, 2024, author

The Doctrine of Prevention is not an Avenue to Avoid Repairs, *The Zelle Lonestar Lowdown*, May 14, 2024, author

"The Doctrine of Prevention is not an Avenue to Avoid Repairs," May 2, 2024, author

Prejudgment Interest and its Effect on Potential Settlement, *The Zelle Lonestar Lowdown*, April 9, 2024, author

"Holding an Insured to its Burden to Support its Claim: Texas' Concurrent Causation Doctrine,"*Journal of Texas Insurance Law*, Winter 2024, Vol. 20, No. 2, March 4, 2024, co-author

"Texas Supreme Court Confirms No Recovery of Attorneys' Fees Under Chapter 542A When an Insurer Pays an Appraisal Award and Any Statutory Penalty Interest," *The Zelle Lonestar Lowdown*, February 2, 2024, author

A Step-by-Step Guide to Texas Concurrent Causation in a Single Case, *The Zelle Lonestar Lowdown*, January 9, 2024, author

"Viewpoint: Will Amendment to Rule 702 Affect Property Insurance Coverage Litigation?,"*Claims Journal*, October 13, 2023, co-author

Will the 2023 Amendment to Federal Rule of Evidence 702 Affect Property Insurance Coverage Litigation?, *The Zelle Lonestar Lowdown*, October 10, 2023, co-author

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"The Texas Concurrent Causation Doctrine and Parties' Burdens of Proof," 2023 Zelle LLP Dallas Office Week of Webinars, September 11, 2023, presenter

Prompt Payment of Appraisal Award Alleviates Attorneys Fees, *The Zelle Lonestar Lowdown*, June 13, 2023, co-author

Clarifying Concurrent Causation in Texas, *The Zelle Lonestar Lowdown*, May 9, 2023, co-author

Wall of Precedent Just Got Taller Fifth Circuit Again Denies COVID-19 Claim, *The Zelle Lonestar Lowdown*, May 9, 2023, author

"Holding an Insured to its Burden to Support its Claim: Texas' Concurrent Causation Doctrine,"May 2, 2023, co-author

"How Ohio Software Ruling Implicates Crypto Insurance Claims," *Law360*, January 11, 2023, co-author

"Nailing Roofing Fraudsters,Florida Insurance Fraud Education Committee (FIFEC) Conference, June 10, 2022, panelist

Roofing Fraud: Dont Get Nailed,PLRB Claims Conference & Insurance Services Expo, April 5-6, 2022, panelist

Shannon OMalley Quoted in Insurance Law360: Courts Side With Insurers in Most COVID-19 Business Interruption Coverage Disputes, March 8, 2021

"Class Certification Issues in Coronavirus-Related Commercial Property Insurance Litigation," April 10, 2020, co-author

Shannon OMalley Quoted on AARP Website: Insurance Coverage and the Coronavirus, April 8, 2020

Commercial Property Insurance Coverage and Coronavirus, Zelle Webinar, March 27, 2020, co-presenter

Shannon OMalley Quoted in Insurance Law360 - Coronavirus 'Civil Authority' Coverage May Hinge On Science, March 18, 2020

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Shannon OMalley Quoted in Insurance Law360 - New Orleans Restaurant Seeks Coronavirus Closure Coverage, March 17, 2020

Steven Badger and Shannon OMalley Cited in Claims Journal: Restaurant Asks Court to Declare Coronavirus Shutdown Covered By Insurance Policy, March 17, 2020

"Commercial Property Insurance Coverage and Coronavirus," March 11, 2020, author

"Using Technology to Reduce Discovery Costs,"*Carrier Management*,September 20, 2018, author

"Texas Insurers Should Prepare For Unexpected Floods,"*TexasLaw360*,April 25, 2018, author

"Math or Myth: Calculating Actual Cash & Replacement Cost Values after a Windstorm," 2018 WIND Conference, Orlando, FL,January 14-19, 2018, co-presenter

"Rain, Rain, Go Away, Dont Flood Again in Texas Any Day,"*Texas Law360*,September 27, 2017, co-author

"Why Do I Have A Hurricane Harvey Claim From Hoboken? "*InsuranceLaw360*,September 11, 2017, author

"When Perils Combine Concurrent Causation and Texas Law,"*Claims Journal*,August 31, 2017, author

"Math or Myth: Calculating Actual Cash and Replacement Cost Values," Property Insurance Law Committee (PILC) Spring CLE Meeting hosted by the American Bar Association, Orlando, FL,April 6-8, 2017, panelist

"How Appraisal Protects Against Texas Insurance Code Abuse,"*Texas Law360*,September 22, 2016, author

"Will Texas Stay Moderate When it Comes to e-Discovery?,*Texas Law360*, April 8, 2016, author

"Business Interruption and Time Element Coverages," 2016 Northwest Loss

Association Conference, Bloomington, MN,February 17, 2016, presenter

"The Litigators Not-So-Secret Weapon: Summary Judgment Strategies in Property Insurance Coverage Litigation," ABA TIPS Property Insurance Law Committee, Spring 2015 Meeting, co-presenter

"Benefits, Pitfalls and Trends in Property Insurance Appraisal,"*The Brief*, Spring 2015, co-author

"Texas Court Talks Insurance And Actual Cash Value,"*Texas Law360*, April 9, 2015, author

"Fracking Bans Don't Trigger Civil Authority Coverage,"*Texas Law360*, January 7, 2015, co-author

"Public Adjusters Do Not Have Free Pass To The Stand,"*Texas Law360*,August 5, 2014, co-author

"Gotham Insurance v. Warren E&P Answers Age-Old Question,"*Texas Law360*, May 28, 2014, author

An Overview of Property Insurance Appraisal," American Bar Association Tort Trial and Insurance Practice Section's 2014 Annual Spring CLE Meeting, San Diego, CA, April 25, 2014, co-presenter and co-author

"A Whole Lotta Shaking Going On In Central US,"*Texas Law360*,March 27, 2014, author

"Recent Developments in Electronic Discovery," State Bar of Texas, 29th Annual Advanced Personal Injury Course Book,August 2013, co-author

"Recent Changes in Electronic Discovery, Including Meta-Data, Litigation Hold Letters, Spoliation, and the Differences Between State and Federal Courts," State Bar of Texas, 29th Annual Advanced Personal Injury Course, San Antonio and Houston, Texas, August 2013

PROFESSIONAL AFFILIATIONS

Dallas Young Lawyers Association

ZELLE LLP

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Dallas Women Lawyers Association

Dallas Bar Association

Texas State Bar Association

Insurance Law Section of the State Bar of Texas, Council Member

NOTEWORTHY

Selected for inclusion in*The Best Lawyers in America*, 2025, 2026, 2027.
Selected to "The 2023 Irish Legal 100."
Shannon was named a "Rising Star" for 2013,2014,2015 and 2016by *Texas Monthly* magazine.