



News

Scott Seaman Quoted in Law360 Article Discussing TIAA Disgorgement Insurance Coverage Case

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Hinshaw attorney Scott Seaman, a Chicago-based partner and co-chair of the firm's national Insurance Services Group, talked with Jeff Sistrunk of *Law360* in an article titled "Del. TIAA Case May Reshape Disgorgement Claims Coverage." The article previews oral argument in a case currently before the Delaware Supreme Court, in which three insurers are seeking to overturn a ruling that found a trio of underlying class actions involving disgorgement or restitution claims constituted an insurable loss.

Seaman said that the arguments made by the insurers in the appeal are consistent with both relevant policy language and New York public policy: "[s] imply stated, an entity should not be unjustly enriched by retaining its ill-gotten gains and attempting to transfer responsibility to its insurer."

He added that the lower court had erred when it ruled that coverage was appropriate because there had been no "final adjudication" establishing the insured's liability: "[t]he insurers' argument that there is no presumption of coverage under New York law where disgorgement is accomplished by settlement as opposed to adjudication is well-taken. Settlement and rote denial by the insured should not allow it to circumvent public policy and transmogrify disgorgement into an insurable event."

[Read the full article](#) (*subscription required*)

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