



News

Larry Golub Quoted in Law360 Article on Ninth Circuit D&O Coverage Battle

May 26, 2017

Larry Golub was quoted in *Law360's* article, "Coverage Battle at 9th Circ. May Hobble Private D&O Policies." The article discusses what upholding a federal trial court ruling "that an exclusion in an education technology company's policy for claims related to professional services bars coverage for a False Claims Act [(FCA)] suit" could mean for D&O coverage for privately held service providers.

Plaintiff HotChalk, Inc. claims that the professional services exclusion would foreclose coverage for almost any claim against the company. Noting that "HotChalk had already secured coverage for the FCA litigation under a separate employment practices liability policy" elsewhere, Golub said, "oftentimes, an exclusion in one policy is an invitation to obtain coverage under another policy." He added that "[g]enerally, different types of policies shouldn't overlap, and HotChalk seems to be attempting to secure coverage under multiple policies." The district court's ruling might still allow for plaintiff to be covered under the subject policy for claims involving attacking directors and officers' business decisions. "Illusory is in the eye of the beholder," said Golub. "That argument essentially means nothing would be covered. Here, this argument does not fly since the policy would cover more typical D&O types of claims."

Read the full article, "[Coverage Battle at 9th Circ. May Hobble Private D&O Policies](#)" on the *Law360* website (*subscription required*)