

DELAWARE SUPREME COURT FINDS FRAUD INSURABLE

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In a recent decision, the Delaware Supreme Court ruled that insuring against fraud does not per se violate Delaware public policy and held that the insured's D&O policy covered claims alleging securities fraud. *RSUI Indemnity Company v. Murdock*, No. 154, 2020, 2021 WL 803867 (Del. Mar. 3, 2021). In so doing, the Court diverged from other states with general public policy exceptions to fraud and reinforced the proposition that contracts should be enforced as written. In other words, if an insurer intends its policy to exclude certain types of claims, the policy should expressly say so as opposed to after-the-fact appeals to "public policy" as grounds for denying coverage.

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