Foreword

We are pleased to present the fourth edition of the Directors & Officers (D&Os) Liability Insurance Deskbook. First published by the American Bar Association in 1998, the Deskbook is designed as a practical reference tool for practitioners of D&O liability and insurance coverage. As the responsibilities of directors and officers, and their liability for breaches of their duties, have evolved and expanded in the last quarter-century, so too has the body of law interpreting D&O policy provisions and limitations. What was once a simple product that insured directors and officers only, the coverage grant has expanded, corporate entities are now insured for their own wrongful acts, and limitations and exclusions have been added to address previously unforeseen risks.

The Directors & Officers Liability Insurance Deskbook is organized simply and tracks the formation of the D&O contract, how it is triggered and its essential terms and conditions, defense obligations, exclusions, settlements, and termination and coverage litigation issues. The fourth edition includes a chapter on coverage issues arising out of policies issued overseas or involving nondomestic claims (primarily in Europe and Bermuda).

Although the Deskbook is focused on D&O policies, many of the principles and decisional authority apply with equal affect to other claims-made forms of insurance; for example, employment practices policies and errors and omissions policies. We have included cases decided under such policies where appropriate.

With three offices in California (San Francisco, Los Angeles, and Orange County), two in Texas (Austin and Dallas) and Florida (Ft. Lauderdale and Miami), and one each in Bermuda,1 Chicago, Kansas City, London, Miami, New York, Newark, Seattle, and Washington, D.C., Sedgwick LLP is an international law firm with a worldwide reputation as a leader in the field of D&O liability insurance law. Sedgwick LLP represents many D&O liability insurers, domestic and foreign, and has handled cases throughout the United States, Europe, Bermuda, and in other nations.

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August, 2016

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1. Sedgwick is affiliated with Sedgwick Chudleigh, an independent law firm regulated under the Bermuda Bar Act of 1974.