

Directors and Officers

June 26, 2017

In *United States v. Wells Fargo & Company*, the **United States Court of Appeals for the Second Circuit** addressed what standard of **materiality** courts should use in connection with alleged violations of the **False Claims Act** in light of the U.S. Supreme Court's recent decision in *United Health Services, Inc. v. United States ex rel. Escobar*. The court held that the U.S. Supreme Court's decision abrogated the **designation requirement for express false certification claims under the False Claims Act** that the circuit previously followed. As such, the court revived a **whistleblower suit** alleging that two lenders made **false statements** about compliance with federal laws. (September 7, 2017)

In *Abboud v. National Union Fire Insurance Company of Pittsburgh, PA*, the **Superior Court of New Jersey, Appellate Division**, held that the "**insured v. insured**" exclusion in a **directors and officers** liability policy may be invoked to deny coverage to one executive sued by another executive of the same company even where there is **no evidence that the lawsuit is a collusive attempt** to recoup the costs of poor business judgment. (June 21, 2017)

Practice Areas

Financial Lines