



New York's Highest Court Holds that Insurers May Waive Coverage Defenses When They Breach the Duty to Defend, *PLUS Journal*

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Abstract:

New York's highest court recently held that, when a liability insurer has breached its duty to defend, the insurer may not later rely on policy exclusions to escape its duty to indemnify the insured for a judgement. While the decision has sent shockwaves through the New York insurance industry and will be reheard by the Court of Appeals, the holding may be more limited in scope than first thought by initial commentators.