

Another State Supreme Court Rejects Coverage For Pandemic-Related Losses (Insurance Law Alert)

10.31.22



(Article from *Insurance Law Alert*, October 2022)

For more information, please visit the [Insurance Law Alert Resource Center](#).

As discussed in previous Alerts, the highest courts in Washington, Oklahoma, Massachusetts, Iowa, Wisconsin and South Carolina have all ruled that pandemic-related business losses are not covered under property policies. This month, the Delaware Supreme Court joined this growing consensus in *APX Operating Co., LLC v. HDI Global Ins. Co.*, 2022 WL 5056431 (Del. Oct. 5, 2022). The lower court had granted the insurer's motion to dismiss, finding that even assuming (without deciding) that the claims alleged "direct physical loss or direct physical harm," there was no coverage because a pollution and contamination exclusion unambiguously barred coverage. The Delaware Supreme Court affirmed the dismissal in a summary order.

Authors and Contacts

Bryce Friedman

Partner

bfriedman@stblaw.com

+1-212-455-2235

Chet Kronenberg

Partner

ckronenberg@stblaw.com

+1-310-407-7557



