



BAD FAITH BLOG

# Summary: Russell v. Liberty Ins. Underwriters, Inc.

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In *Russell v. Liberty Ins. Underwriters, Inc.*, the Eighth Circuit Court of Appeals ruled an equitable garnishment cause of action under RSMo. 379.200 was not a “direct action” pursuant to 28 USC 1332(c)(1) so as to destroy diversity for purposes of removal to federal court. The court further determined the contractually-based lawsuit against the insureds was excluded from coverage under the Director & Officer Liability coverage section of the insurance policy.

Citation: *Russell v. Liberty Ins. Underwriters, Inc.*