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Homeowner's Policy Did Not Cover Suit Against Insured Accountant Filed by Her Clients to Recover Costs Associated With Protecting Information on a Compact Disc Stolen From the Insured's Car

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While employed at an accounting firm, the insured had a compact disc belonging to the firm stolen from her personal auto. It contained **confidential information** belonging to her clients. The clients sued her for credit monitoring and **insurance expenses** incurred to mitigate potential misuse of the **stolen information**. She tendered the defense of the case to her **homeowner's insurance carrier** which then filed the present declaratory judgment action seeking a determination it did not need to defend or indemnify the insured. The District Court granted summary judgment in favor of the carrier.

The Seventh Circuit affirmed. The policy did not cover damage for property occupied or used by the insured. It also had a business operations exclusion. The Court held both provisions supported the trial court's determination no coverage existed. **Nationwide Insurance Co. v. Central Laborers' Pension Fund**, 704 F. 3d 522 (7th Cir. 2013).

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