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A 50-STATE SURVEY

Does Faulty Workmanship Constitute An "Occurrence"?

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STATE	Is Faulty Workmanship An Occurrence?	Does Faulty Workmanship Result in Property Damage?
Alabama	**Generally**: *Shane Traylor Cabinetmaker, L.L.C. v. American Res. Ins. Co.*, 126 So. 3d 163, 167 n.2 (Ala. 2013) (noting an "accident" is "[a]n unintended and unforeseen injurious occurrence; something that does not occur in the usual course of events or that could be reasonably anticipated" and is defined as "as something unforeseen, unexpected, or unusual"). **Faulty Workmanship:** *Owners Ins. Co. v. Jim Carr Homebuilder, LLC,* 157 So. 3d 148, 157 (Ala. 2014) (finding faulty workmanship itself is not an "occurrence" or "accident," and the cost to repair or replace faulty workmanship is not covered, but holding damage caused by faulty workmanship, including damage to the insured's own work, arises from an "occurrence"); *Shane Traylor Cabinetmaker, L.L.C. v. American Res. Ins. Co.*, 126 So. 3d 163, 168 (Ala. 2013) (finding no coverage for faulty workmanship where allegations did not include damages as a result of the alleged faulty workmanship, additional repairs necessitated by the faulty work, or any loss of use); *United States Fid. & Guar. Co. v. Warwick Dev. Co., Inc.*, 446 So. 2d 1021, 1023 (Ala. 1984) (holding faulty workmanship and use of non-complying construction materials were not covered because there was no "occurrence"); *Pennsylvania Nat. Mut. Cas. Co. v. Snider*, 607 Fed. Appx. 879, 884 (11th Cir. 2015) (Alabama law) (finding coverage was barred for jury's verdict against insured in homeowner's underlying suit alleging abandonment of job and faulty work since allegations were that work was deliberate and purposeful conduct rather than an "accident").	**Physical Injury to Tangible Property:** *American States Ins. Co. v. Martin*, 662 So. 2d 245, 248 (Ala. 1995) (finding real estate is tangible property because it can be "handled, touched, or physically possessed" but also noted purely economic losses do not qualify as "property damage"). **Loss of Use:** *Liberty Mut. Ins. Co. v. Wheelwright Trucking Co., Inc.*, 851 So. 2d 466 (Ala. 2002) (finding coverage for financial losses stemming from the loss of use of tangible property that is related to an insured's product or work); *Fitness Equip. Co. v. Pennsylvania Gen. Ins. Co.*, 493 So. 2d 1337 (Ala. 1985) (finding coverage for lost profits where insured's product, a treadmill part, was defective and caused lost profits on the sale of the treadmills); *FCCI Ins. Co. v. Capstone Process Systems, LLC*, 49 F. Supp. 3d 995, 1000 (N.D. Ala. 2014) (finding loss of use of damage not physical injured is covered, but in order for coverage to apply, the property damage must still be caused by an "occurrence"). **Resulting Property Damage:** *Owners Ins. Co. v. Jim Carr Homebuilder, LLC*, 157 So. 3d 148, 158-59) (Ala. 2014) (finding the cost of repairing or replacing faulty workmanship is not the intended object of a CGL policy and that while there is no coverage to replace poor work, there is coverage to repair damage caused by poor work); *Town & Country Prop., LLC v. Amerisure Ins. Co.,* 111 So. 3d 699, 706 (Ala. 2011) (finding damage awarded to compensate for damage to personal property or non-defective portions of the facility constitute property damage); *United States Fid. & Guar. Co. v. Warwick Development Co., Inc.*, 446 So. 2d 1021 (Ala. 1984) ("[a] majority of courts have held that in order to have liability under the terms of [a CGL Policy], the 'occurrence' must arise during the policy period, as a general rule the time of 'occurrence' of an accident within the meaning of an indemnity policy is not the time the wrongful act was

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Alabama	**<u>Subcontractor's Faulty Workmanship</u>:** *Town and Country Property, L.C.C. v. Ameirsure Ins. Co.,* 111 So. 3d 699, 704 (Ala. 2011) ("[i]n practical effect, the your-work exclusion and the subcontractor exception operate to exclude coverage for property damage caused by work performed by the insured contractor on his own behalf but restore coverage for property damage caused by work performed by a subcontractor on behalf of the insured contractor").	committed but the time the complaining party was actually damaged"). **<u>Rip and Tear Costs or Incorporation of Defective Component</u>:** *Pennsylvania Nat. Mut. Cas. Ins. Co. v. St. Catherine of Siena Parish*, 790 F.3d 1173, 1181 (11th Cir. 2015) (Alabama law) (finding coverage for removal of main roof to get to gypsum deck was property damage were removal was necessary to remediate damage to "other property").
Alaska	**<u>Generally</u>*:*** *United Services Auto Ass'n v. Neary,* 307 P.3d 907, 913 (Alaska 2013) (finding "accident" means "anything that begins to be, that happens, or that is a result which is not anticipated and is unforeseen and unexpected"). **<u>Faulty Workmanship</u>:** *Fejes v. Alaska Ins. Co., Inc*., 984 P.2d 519 (Alaska 1999) (holding property damage exclusion excludes claims to repair the insured's work, but not the cost to repair damages caused by the insured's work); *Alaska Pacific Assur. Co. v. Collins,* 794 P.2d 936, 945 (Alaska 1990) (completed work exclusion provides coverage to damage caused to contractor's own work). **<u>Subcontractor's Faulty Workmanship</u>:** *Fejes v. Alaska Ins. Co., Inc*., 984 P.3d 519, 525 (Alaska 1999) (holding allegations that the insured failed to properly install a drain involved an "occurrence" and while "your work" exclusion only removed coverage as to work performed by the named insured, it did not bar coverage for damage caused by the work of someone on behalf of the named insured).	**<u>Physical Injury to Tangible Property</u>:** *Fejes v. Alaska Ins. Co., Inc.*, 984 P.2d 519, 523 (Alaska 1999) (finding destruction of the septic system as a result of the failure of the curtain drain involved the "destruction of tangible property," and thus fell within the CGL definition of "property damage"). **<u>Resulting Property Damage</u>:** *Clear, LLC v. American & Foreign Ins. Co.,* 2008 WL 818978, at *8 (D. Alaska Mar. 24, 2008) (finding CGL coverage extends to property damage resulting from a defective work). **<u>Rip and Tear Costs or Incorporation of Defective Component</u>:** *Clear, LLC v. American & Foreign Ins. Co.*, 2008 WL 818978, *7 (D. Alaska March 24, 2008) (finding insurer must indemnify for removal and replacement of non-injured property to the extent it was necessary to repair property damage caused by a subcontractor); *Northern Power & Engineering Corp. v. Caterpillar Tractor Co.*, 623 P.2d 324, 330 (Alaska 1981) (holding the incorporation of a component into an integrated package is not "property damage").

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Arizona	**Generally**: *McCollum v. Insurance Co. of N. America*, 644 P.2d 283, 285 (Ariz. Ct. App. 1982) (finding an "occurrence" is "an accident happening during the coverage period or a continuous or repeated exposure to conditions which unexpectedly and unintentionally causes personal injury or destruction of tangible property during the coverage period"). **Faulty Workmanship**: *Lennar Corp. v. Auto-Owners Ins. Co.,* 214 Ariz. 255, 262 (Ct. App. 2007) (holding that damage to the property resulting from faulty work may constitute an "occurrence" where plaintiffs did not claim faulty work along, but also claimed that property damage resulted from the faulty work).	**Physical Injury to Tangible Property**: *University Mech. Contractors of Arizona, Inc. v. Puritan Ins. Co*., 723 P.2d 648, 651-52 (Ariz. 1986) (holding installation of faulty couplings in solar heating and cooling facility constituted physical injury to solar facility, resulting in definite loss of facility's use which, and qualified as "property damage"). **Resulting Property Damage**: *Desert Mountain Props. Ltd. P'ship v. Liberty Mut. Fire Ins. Co*., 236 P.3d 421, 441 (Ariz. Ct. App. 2010) ("although costs incurred to repair a construction defect normally are not covered, damage to other property caused by or resulting from the defect may be covered"); *see also American Fam. Mut. Ins. Co. v. Spectre Builders Corp.*, 2011 WL 488891 (D. Ariz. Feb. 4, 2011) (finding the cost of repairing defective work does not constitute property damage, but finding coverage for the damage to other property). **Rip and Tear Costs or Incorporation of Defective Component**: *Desert Mountain Props. Ltd. P'ship v. Liberty Mut. Fire Ins. Co*., 236 P.3d 421, 441 (Ariz. Ct. App. 2010) (finding expenses for removing and repairing the nondefective property required to repair poorly compacted soil constituted damage caused by the repair of the poorly compacted soil, not damage caused by the poorly compacted soil and were not covered by the policy); *American Guarantee & Liability Ins. Co. v. Ingram Micro, Inc.* 2000 WL 726789 (D. Ariz. Apr. 18, 2000) (holding incorporation of a defective product into another does not constitute property damage unless there is "physical harm" to the whole).

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Arkansas	**Generally**: *Columbia Ins. Group, Inc. v. Cenark Project Mgmt. Servs., Inc.*, 491 S.W.3d 135, 139 (Ark. 2016) (finding an "accident" means "an event that takes place without one's foresight or expectation—an event that proceeds from an unknown cause, or is an unusual effect of a known cause, and therefore not expected"). **Faulty Workmanship:** "A commercial general liability insurance policy offered for sale in this state shall contain a definition of 'occurrence' that includes: (1) Accidents, including continuous or repeated exposure to substantially the same general harmful conditions; and (2) Property damage or bodily injury resulting from faulty workmanship." Ark. Code Ann. § 23-79-155(a) (2013); *J-McDaniel Constr. Co. v. Mid-Continent Cas. Co.,* 761 F.3d 916, 918-19 (8th Cir. 2014) (Arkansas law) (finding this statute does not apply retroactively); *Columbia Ins. Grp. v. Cenark Project Mgmt. Servs*., 491 S.W.3d 135, 140-41 (Ark. 2016) (finding a CGL policy does not cover a claim for breach of contract and, therefore, does not cover a claim for faulty workmanship for property damage to the work or work product of a third party to the extent premised on a breach of contract claim). *Essex Ins. Co. v. Holder*, 261 S.W.3d 456, 460 (Ark. 2008) ("[f]aulty workmanship is not an accident; instead, it is a foreseeable occurrence, and performance bonds exist in the marketplace to insure the contractor against claims for the cost of repair or replacement of faulty work. . . . [D]efective workmanship standing alone - - resulting in damages only to the work product itself - - is not an occurrence").	**Physical Injury to Tangible Property:** *Lexicon, Inc. v. ACE Am. Ins. Co.*, 634 F.3d 423, 427 (8th Cir. 2011) (Arkansas law) (finding insurers were obligated coverage all property damage other than to the Insured's own work). **Loss of Use:** *Geurin Contractors, Inc. v. Bituminous Cas. Corp.*, 636 S.W.2d 638, 640-41 (Ark. Ct. App. 1982) (finding under policy's definition of "property damage," which included tangible property which had been diminished in value or made useless irrespective of physical injury, claim asserted by store owner against contractor for damages for lost profits due to the fact that the road was closed in front of the store fell within coverage under the policy). **Resulting Property Damage:** *Lexicon, Inc. v. ACE Am. Ins. Co.*, 634 F.3d 423, 427 (8th Cir. 2011) (Arkansas law) (finding no coverage for property damage to the insured's work product, a silo, but finding coverage for all collateral damage other than the silo caused by the insured's faulty workmanship).

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Arkansas	**<u>Subcontractor's Faulty Workmanship</u>:** *Lexicon, Inc. v. ACE American Ins. Co.*, 634 F.3d 423, 427 (8th Cir. 2011) (Arkansas law) (holding under policy with a "your work" exclusion and subcontractor exception, there is coverage for property damage resulting from a faulty subcontractor's work).	
California	**<u>Generally</u>:** *Shell Oil Co. v. Winterthur Swiss Ins. Co.*, 12 Cal. App. 4th 715, 750 (Cal. Ct. App. 1993) (noting California law equates "accident" with unexpected and unintended events); *St. Paul Fire & Marine Ins. Co. v. Sup. Ct.*, 161 Cal. App. 3d 1199, 1202 (Cal. Ct. App. 1984) (noting that "accidental" means "arising from extrinsic causes,… occurring expectedly or by chance, [or] happening without intent or through carelessness"). **<u>Faulty Workmanship</u>:** *Navigators Specialty Ins. Co. v. Moorefield Constr., Inc.*, 6 Cal. App. 5th 1258, 1278 (Cal. Ct. App. 2016) (finding no coverage for damage to concrete slab where insured made intentional decision to install tiles that exceeded moisture vapor emission rate as such intentional conduct did not constitute an "accident"); *Collett v. Insurance Co. of the West*, 64 Cal. App. 4th 338, 343-44 (Cal. Ct. App. 1998) (finding general liability policies are not designed to provide contractors and developers with coverage against claims their work is inferior or defective and the risk of replacing and repairing defective materials or poor workmanship has generally been considered a commercial risk which is not passed on to the liability insurer); *Western Employers Ins. Co. v. Areciero & Sons, Inc.*, 146 Cal. App. 3d 1027, 1031 (Cal. Ct. App. 1983) (noting the basic purpose of general liability policies is to require a contractor to absorb "its own replacement and repair losses while the insurer	**<u>Physical Injury to Tangible Property</u>:** *Kazi v. State Farm Fire & Cas. Co.,* 15 P.3d 223, 229 (Cal. 2001) (finding "tangible property" refers to things that can be touched, seen and smelled); *F&H Const. v. ITT Hartford Ins. Co. of Midwest*, 118 Cal. App. 4th 364, 376 (Cal. Ct. App. 2004) (finding "physical injury unambiguously connotes damage to tangible property causing an alteration in appearance, shape, color on in other material dimension" and the fact the measure that damages are economic should not preclude a finding of physical injury); *Maryland Cas. Co. v. Reeder*, 221 Cal. App. 3d 961, 970 (Cal. Ct. App. 1990) (finding poor grading causing collapse of foundations and retaining walls on another's property constitutes property damage); *American Home Assurance Co. v. SMG Stone Co., Inc.,* 119 F. Supp. 3d 1053, 1061 (N.D. Cal. 2015) (finding "property damage" did not include insured's cracked tiles because they did not cause physical damage to any other part of project). **<u>Loss of Use</u>:** *Borg v. Transamerica Co.*, 47 Cal. App. 4th 448, 457 (Cal. Ct. App. 1996) (finding "loss of use" of tangible property is distinct from physical damage or destruction, but excludes intangible economic interests and property rights); *Hendrickson v. Zurich Inc. Co.*, 72 Cal. App. 4th 1084, 1091-92 (Cal. Ct. App. 1999) (holding strawberry growers' actions for alleged loss of profits or diminution in property value was not solely economic losses, but damages because of property damage as negligent delivery of defective plants caused loss of production, and thereby loss of use of land); *Collin v. American Empire Ins. Co.*, 21 Cal. App. 4th 787, 818 (Cal. Ct. App. 1994) (finding the

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California	takes the risk of injury to the property of others"); *New Hampshire Ins. Co. v. Vieira*, 930 F.2d 696, 701 (9th Cir. 1991) (California law) (noting that damage caused to correct the insured's work is not covered under a CGL policy). **<u>Subcontractor's Faulty Workmanship</u>:** *Maryland Cas. Co. v. Reeder*, 221 Cal. App. 3d 961, 972 (Cal. Ct. Appl. 1990) (noting broad form endorsement to comprehensive general liability policy issued to developers and general contractor on condominium project, which deleted reference in exclusion to property damage to work performed "on behalf of the named insured," provided coverage for claims growing out of services provided by subcontractors who worked on project).	measure of loss of use damages as the rental value of property, not actual loss of the property). **<u>Resulting Property Damage</u>:** *F&H Const. v. ITT Hartford Ins. Co. of Midwest*, 118 Cal. App. 4th 364, 372-73 (Cal. Ct. App. 2004) (finding property damage is not established by the cost to repair a defective product or structure as liability policies are not designed to provide contractors an developers with coverage against claims their work is inferior or defective); *Borg v. Transamerica Co.*, 47 Cal. App. 4th 448, 456 (Cal. Ct. App. 1996) (holding for coverage to be triggered, property damage resulting from the occurrence must take place during the policy period); *see also American Home Assurance Co. v. SMG Stone Co, Inc.,* 119 F. Supp. 3d 1053, 1059 (N.D. Cal. June 11, 2015) (noting California cases consistently hold that coverage does not exist where the only property damage is the defective construction and damage to other property has not occurred). **<u>Rip and Tear Costs or Incorporation of Defective Component</u>:** *American Home Assurance Co. v. SMG Stone Company, Inc.*, 119 F. Supp. 3d 1053, 1059 (N.D. Cal. 2015) (finding remediation work does not constitute property damage under California law and incorporation of a defective component into a larger structure does not constitute property damage unless and until the defective company causes physical injury to tangible property in a lease some other part of the system); *F & H Construction v. ITT Hartford Ins. Co.,* 118 Cal. App. 4th 364, 372 (Cal. Ct. App. 2004) (finding incorporation of a defective component into a larger structure does not constitute property damage within the meaning of a CGL policy unless and until the defective component causes physical injury to tangible property in at least some other part of the system).

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Colorado	**<u>Generally</u>:** *TCD, Inc. v. American Family Mut. Ins. Co.*, 296 P.3d 255, 259 (Colo. Ct. App. 2012) (finding an "accident" is defined to mean as "an unanticipated or unusual result flowing from a commonplace clause"); *Hoang v. Assurance Co. of America*, 149 P.3d 798, 802 (Colo. 2007) ("[a]n 'occurrence' sufficient to trigger coverage under an occurrence policy need not be sudden, but must be a specific accident or happening within the policy period"). **<u>Faulty Workmanship</u>:** "In interpreting a liability insurance policy issued to a construction professional, a court shall presume that the work of a construction professional that results in property damage, including damage to the work itself or other work, is an accident unless the property damage is intended and expected by the insured. Nothing in this subsection (3) (a) Requires coverage for damage to an insured's own work unless otherwise provided in the insurance policy; or (b) Creates insurance coverage that is not included in the insurance policy." Colo. Rev. Stat. § 13-20-808(3)(a)-(b) (while the statute gives a presumption to the policyholder than an "occurrence" exists, it does not limit the application of the "business risk exclusions" typically found in a CGL policy); *TCD, Inc. v. American Family Mut. Ins. Co.,* 296 P.3d 255, 258 (Colo. Ct. App. 2012) ("[a] claim for damages arising from poor workmanship, standing alone, does not allege an accident that constitutes a covered occurrence, regardless of the underlying legal theory pled"); *Colard v. American Family Mut. Ins. Co.*, 709 P.2d 11 (Colo. Ct. App. 1985) ("[t]he result of Thorne's action were neither expected nor intended, and the unintended poor workmanship of Thorne created an exposure to a continuous condition that resulted in property damage to	**<u>Physical Injury to Tangible Property</u>:** *Hommel v. George*, 802 P.2d 1156 (Colo. Ct. App. 1990) ("[t]angible property is that which is capable of being handled, touched, or physically possessed, such as foreclosed upon condominiums. However, purely economic losses such as loss of investment or loss of profits are intangible"). **<u>Loss of Use</u>:** *Hommel v. George*, 802 P.2d 1156 (Colo. Ct. App. 1990) ("[w]hile the loss of use of tangible property includes such property which has diminished in value or been made useless irrespective of any physical injury to the property, the phrase does not include mere economic damages in the nature of loss of investments, anticipated profits, and financial interests"). **<u>Resulting Property Damage</u>:** *Travelers Cas. & Sur. Co. v. Village Homes of Colorado, Inc.*, 155 P.3d 369 (Colo. 2007) (finding a home builder was entitled to indemnification under its CGL policy for damages paid to homeowners for building defects, even thought the homeowners did not own the home during the policy period because no exclusion existed to rendered the coverage inapplicable due to change in home ownership, and builder was liable for the damage); *Colorado Pool Systems, Inc. v. Scottsdale Ins. Co.*, 317 P.2d 1262, 1270-71 (Colo. Ct. App. 2012) (adopting analysis that injuries flowing from improper or faulty workmanship constitute an "occurrence" so long as the resulting damage is to non-defective property and is caused without expectation or foresight); *Mt. Hawley Ins. Co. v. Creek Side at Parker Homeowners Ass'n, Inc.*, 2013 WL 104795 (D. Colo. Jan. 8, 2013) ("[f]aulty workmanship can constitute an occurrence that triggers coverage under a CGL policy if (1) the property damage was not caused by purposeful neglect or knowingly poor workmanship, and (2) the damage was to non-defective portions of the contractor's or subcontractor's work or to third-party property").

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Colorado	plaintiffs. Hence, the damage here at issue was a result of an 'occurrence'"); *Union Ins. Co. v. Hottenstein*, 83 P.3d 1196 (Colo. Ct. App. 2003) ("[p]oor workmanship constituting a breach of contract is not a covered occurrence"); *Greystone Constr., Inc. v. National Fire & Marine Ins. Co.*, 661 F.3d 1272, 1286-87 (10th Cir. 2011) (Colorado law) (finding faulty workmanship can constitute an occurrence that triggers coverage under a [CGL] policy if (1) the property damage was not caused by purposeful neglect or knowingly poor workmanship, and (2) the damage was to non-defective portions of the contractor's or subcontractor's work or to third-party property). **<u>Subcontractor's Faulty Workmanship</u>:** *Greystone Cosntr. Inc. v. National Fire & Marine Ins. Co.*, 661 F.3d 1272, 1290 (10th Cir. 2011) (Colorado law) (noting the "your work" exclusion's exception for property damage arising out of the work of a subcontractor necessitates the conclusion that damage to the builder's work caused by the poor workmanship of a subcontractor can constitute an occurrence in the first instance).	**<u>Rip and Tear Costs or Incorporation of Defective Component</u>:** *Colorado Pool Systems, Inc. v. Scottsdale Ins. Co.,* 317 P.3d 1262, 1271 (Colo. Ct. App. 2012) (finding rip and tear damage to nondefective third-party work is covered as the damage is the result of an "accident"); *Cool Sunshine Heating & Air Conditioning v. American Family Mutual Ins.* Co., 14-cv-1637, 2014 WL 7190233 (D. Colo. Dec. 17, 2014) (finding cost to repair a defectively installed product does not constitute "property damage" unless the defective product causes some damage to the property outside of the cost to replace the defective product).
Connecticut	**<u>Generally</u>:** *Capstone Bldg. Corp. v. American Motorists Ins. Co.*, 67 A.3d 961, 975-76 (Conn. 2013) ("[a]n accident is an event that is unintended from the perspective of the insured…. [T]he motive of the acting party is determinative of whether an act was intentional or accidental…. [B]ecause negligent work is unintentional from the point of view of the insured, we find that it may constitute the basis for an 'accident' or 'occurrence'"); *Metropolitan Life Ins. Co. v. Aetna Cas. & Sur. Co.*, 765 A.2d 891 (Conn. 2001) (finding an "occurrence" means "something that takes place, especially something that happens unexpectedly without design").	**<u>Physical Injury to Tangible Property</u>:** *Capstone Bldg. Corp. v. American Motorists Ins. Co.*, 67 A.3d 961, 973, 979-81 (Conn. 2013) (finding "'[p]hysical injury to tangible property' would not include construction deficiencies unless they damage other, nondefective property"). **<u>Resulting Property Damage:</u>** *Davison v. Savarese*, 2013 WL 2132070 (Conn. Super. Ct. Apr. 25, 2013) (finding a "[CGL] policy does not insure the insured's work itself; rather, it insures consequential damages that stem from that work" and that property damage beyond the insured's work product arose from an "occurrence").

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Connecticut	**<u>Faulty Workmanship</u>:** *Capstone Bldg. Corp. v. American Motorists Ins. Co.*, 67 A.3d 961, 973, 979-81 (Conn. 2013) (finding "[d]efective construction or faulty workmanship that causes damage to nondefective property may constitute property damage resulting from an occurrence, thus triggering coverage under the commercial general liability policy and "if the property damage is the result of an insured's defective work, it is excluded from coverage by such a policy. Finally, property damage caused by a subcontractor's defective work may be covered under the exception to the 'your work' exclusion"); *Travelers Cas. & Sur. Co. of Am. v. Netherlands Ins. Co.*, 95 A.3d 1031 (Conn. 2014) ("defective workmanship can give rise to an 'occurrence'"). **<u>Subcontractor's Faulty Workmanship</u>:** *Capstone Bldg. Corp. v. American Motorists Ins. Co.*, 67 A.3d 961, 973, 979-81 (Conn. 2013) (finding property damage caused by a subcontractor's defective work may be covered under the exception to the 'your work' exclusion).	**<u>Rip and Tear Costs or Incorporation of a Defective Component</u>:** *Capstone Bldg. Corp. v. Am. Motorists, Ins. Co.,* 67 A.3d 961, 982 (Conn. 2013) (finding that a CGL policy covers claims for property damage caused by defective work, but not claims for repair of the defective work itself, and that mere inclusion of a defective component does not cause "property damage"); *Harleysville Worcester Ins. Co. v. Paramount Concrete, Inc.*, 10 F. Supp. 3d 252, 261 (D. Conn. 2014) (finding physical injury to tangible property would not include construction deficiencies unless they damage other, nondefective property).
Delaware	**<u>Generally:</u>** *Westfield Ins. Co, Inc. v. Miranda & Hardt Contracting and Building Services, L.L.C.,* 2015 WL 1477970 (Del. Super. Ct. Mar. 30, 2015) (noting an "accident" in the context of an insurance contract, "is an event happening without human agency, or, if happening through such agency, an event, which under the circumstances is unusual and not expected by the person to whom it happens"); *Brosnahan Builders, Inc. v. Harleysville Mut. Ins. Co.*, 137 F. Supp. 2d 517 (D. Del. 2001) (finding "occurrence" or "accident" is "an event happening without human agency, or if happening through human agency, an event, which under circumstances, is unusual and not expected by the person to whom it happens").	**<u>Physical Injury to Tangible Property</u>:** *Brosnahan Builders, Inc. v. Harleysville Mut. Ins. Co.*, 137 F. Supp. 2d 517, 528 (D. Del. 2001) (finding claimant's residence is tangible property that is less useful because it incorporates deficient work by a contractor). **<u>Loss of Use</u>:** *Brosnahan Builders, Inc. v. Harleysville Mut. Ins. Co.*, 137 F. Supp. 2d 517, 528 (D. Del. 2001) (holding claimant's residence is tangible property that is less useful because it incorporates deficient work by a contractor).

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Delaware	**<u>Faulty Workmanship</u>:** *Bramble v. Old Republic Gen. Is. Corp.,* 2017 WL 345144 (Del. Super. Ct. Jan. 20, 2017) (finding where defective workmanship only caused damage to insured's work, a spray irrigation system, there was no "occurrence"); *Westfield Ins. Co, Inc. v. Miranda & Hardt Contracting & Building Services, L.L.C.,* 2015 WL 1477970 (Del. Super. Mar. 20, 2015) (finding conduct that leads to the damage of property of another that is clearly within the control of a contractor, and is not an "occurrence"); *AE-Newark Assocs., L.P. v. CNA Ins. Cos.*, 2001 WL 1198930 (Del. Super. Ct. Oct. 2, 2001) (finding property damage caused by an occurrence where plaintiffs contracted with the insured to re- roof several buildings owned by the plaintiffs and the roofs developed water leaks that caused damage to the plaintiffs' property and personal property); *Brosnahan Builders, Inc. v. Harleysville Mut. Ins. Co.*, 137 F. Supp. 2d 517 (D. Del. 2001) (holding claim against general contractor was not an "occurrence"). **<u>Subcontractor's Faulty Workmanship</u>:** *AE-Newark Assocs., L.P. v. CNA Ins. Cos.*, 2001 WL 1198930 (Del. Super. Ct. Oct. 2, 2001) (finding that where a policy included a "your work" exclusion with a subcontractor exception, there was coverage for the insured contractor for faulty work completed by a subcontractor which caused damage to the contractor's work product, a roof).	**<u>Resulting Property Damage</u>:** *E.I. DuPont de Nemours & Co. v. Allstate Ins. Co.*, 879 A.2d 929, 939 (Del. Super. 2004) ("[t]he damage to one PB system can be separated from the damage to another. The other is that the relevant policy language in this case includes a definition of 'Property Damage,' a phrase which appears not only in the definition of 'occurrence,' but in the insuring agreement itself, which defines property damage, in relevant part, as 'physical injury to or destruction of tangible property which occurs during the policy period.' Thus, the insuring agreement in this case is an agreement to pay 'all sums' for liability for damages on account of 'property damage,' i.e. injury or destruction of property which occurs during the policy period, caused by or arising out of an occurrence. This language excludes from coverage liability which is clearly attributable to divisible, separate property damage which occurs outside the policy year").
District of Columbia	**<u>Generally</u>:** *Keene Corp. v. Ins. Co. of N. America*, 667 F.2d 1034, 1046 (D.C. Cir. 1981) (finding in the context of asbestos, "there is no doubt that these losses would be covered if the diseases at issue developed spontaneously upon inhalation," and finding inhalation of asbestos is an "occurrence" that causes injury for	**<u>Physical Injury to Tangible Property</u>:** *Western Exterminating Co. v. Hartford Accident & Indem.*, 479 A.2d 872, 876 (D.D.C. Feb. 29, 1984) (holding alleged negligent termite inspection of purchasers' house by insured did not result in tangible property damage to purchasers and, thus, was not considered an occurrence).

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District of Columbia	which the insured may be held liable).	**Loss of Use**: *Western Exterminating Co. v. Hartford Accident & Indem.*, 479 A.2d 872, 877 (D.D.C. Feb. 29, 1984) (finding "loss of use" must result either from the physical destruction or injury of tangible property or from an "occurrence" which is defined as an accident resulting in bodily injury or property injury). **Resulting Property Damage**: *Commonwealth Lloyds Ins. Co. v. Marshall, Neil & Pauley, Inc.,* 32 F. Supp. 2d 14, 18-19 (D.D.C. Dec. 21, 1998) (finding failure of insured's isolation pads caused train track bed to become uneven, which was property damage). **Rip and Tear Costs or Incorporation of a Defective Component**: *Carey Canada, Inc. v. Aetna Cas. & Sur. Co.*, 1988 WL 169287 (D.D.C. Mar. 31, 1988) (finding incorporation of allegedly dangerous, defective or malfunctioning products or components in a building or other structure constitutes property damage which is covered by insurance); *Commonwealth Lloyds Ins. Co. v. Marshall, Neil & Pauley, Inc.,* 32 F. Supp. 2d 14, 18-19 (D.D.C. Dec. 21, 1998) (finding failure of insured's isolation pads that caused train track bed to become uneven constituted "property damage" to surrounding area when the defective product was repaired or replaced).
Florida	**Generally**: *State Farm Fire & Casualty Co. v. CTC Dev. Corp.*, 720 So. 2d 1072, 1076 (Fla. 1998) (finding the term "accident" encompasses not only accidental events, but also injuries or damage neither expected nor intended from the standpoint of the insured; thus, unintentional or unexpected injury or damage from the insured's intentional acts is an accident). **Faulty Workmanship**: *U.S. Fire Ins. Co. v. J.S.U.B., Inc.*, 979 So. 2d 871, 889-91 (Fla. 2007) ("[f]aulty workmanship that is neither intended nor expected from	**Physical Injury to Tangible Property**: *Auto-Owners Ins. Co. v. Pozzi Window Co.*, 984 So. 2d 1241, 1248 (Fla. 2008) (finding "[t]he mere inclusion of a defective component, such as a defective window or the defective installation of a window, does not constitute property damage unless that defective component results in physical injury to some other tangible property" and damage to windows, if caused by negligent workmanship of the window installer, and not by inherent defects in the windows themselves, could be "property damage" covered by a CGL policy); *U.S. Fire Ins. Co. v. J.S.U.B., Inc.*, 979 So. 2d 871, 889-890 (Fla. 2007) (finding that structural damage caused by soil settlement that resulted from insured's defective work was "physical injury to tangible property" and

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Florida	the standpoint of the contractor can constitute an 'accident' and thus an 'occurrence' under a post-1986 standard form CGL policy"); *Bradfield v Mid-Continent Cas. Co.*, 143 F. Supp. 3d 1215, 1236 (M.D. Fla. 2015) (finding where complaint only alleges damages for cost of repairing or replacing defective work performed by the insured, and/or defective materials installed by the insured, there was no "property damage" covered by the policy); *Voeller Constr., Inc. v. Southern-Owners Ins. Co.*, 2015 WL 1169420 (M.D. Fla. Mar. 13, 2015) (holding allegation that insured defectively built condominiums and defectively installed its components, resulting in cracking on the rooftop and water intrusion, constituted "property damage" because the allegations were sufficient to allege property other than the project was damaged). **<u>Subcontractor's Faulty Workmanship</u>***:* *U.S. Fire Ins. Co. v. J.S.U.B., Inc.*, 979 So. 2d 871, 889-90 (Fla. 2007) ("defective work performed by a subcontractor that causes damage to the contractor's completed project and is neither expected nor intended from the standpoint of the contractor can constitute 'property damage' caused by an 'occurrence' as those terms are defined in a standard form commercial general liability policy").	"property damage" under the policy). **<u>Loss of Use:</u>** *Travelers Ins. Co. v. C.J. Gayfer's &Co., Inc.*, 366 So. 2d 1199, 1202 (Fla. Ct. App. 1979) (finding "loss of use" of tangible property implicated coverage for "tangible property is rendered useless but not physically injured or destroyed.... If there was such an occurrence during the policy period, liability coverage is provided though there was no injury as such to property and the ensuing loss of its use did not commence within the policy period"). **<u>Resulting Property Damage:</u>** *U.S. Fire Ins. Co. v. J.S.U.B., Inc.*, 979 So. 2d 871, 889-90 (Fla. 2007) ("[f]aulty workmanship or defective work that has damaged the otherwise nondefective completed project has caused 'physical injury to tangible property' within the plain meaning of the definition in the policy. If there is no damage beyond the faulty workmanship or defective work, then there may be no resulting 'property damage'"). **<u>Rip and Tear Costs or Incorporation of a Defective Component</u>:** *Carithers v. Mid-Continent Cas. Co.*, 782 F.3d 1240, 1251 (11th Cir. 2015) (Florida law) (finding repairs to a defective balcony that caused damage to the garage, was covered as it was necessary to repair damage to non-defective property); *Auto-Owners Ins. Co. v. Pozzi Window Co.*, 984 So. 2d 1241, 1248 (Fla. 2008) ("[t]he mere inclusion of a defective component, such as a defective window or the defective installation of a window, does not constitute property damage unless that defective component results in physical injury to some other tangible property."); *Amerisure Mut. Ins. Co. v. Auchter Co.*, 673 F.3d 1294, 1307 (11th Cir. 2012) (Florida law) (finding unless the defective component results in physical injury to some other tangible property, there is no coverage).

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Georgia	**Generally:** *Taylor Morrison Servs. v. HDI-Gerling Am. Ins. Co.,* 746 S.E.2d 587, 589-91 (Ga. 2013) (finding "'accident' refers to 'an unexpected happening without intention or design,' an 'event or change occurring without intent or volition through carelessness, unawareness, ignorance, or a combination of causes and producing an unfortunate result,' or '[s]omething that occurs unexpectedly or unintentionally.' It seems rather clear that, in its usual and common usage, 'accident' conveys information about the extent to which a happening was intended or expected…. [A]n 'occurrence,' as the term is used in a standard CGL policy, does not require damage to the property or work of someone other than the insured"); *American Empire Surplus Lines Ins. Co. v. Hathaway Dev. Co.,* 707 S.E.2d 369, 371 (Ga. 2011) ("an 'accident' is deemed to be an event happening without any human agency, or, if happening through such agency, an event which, under circumstances, is unusual and not expected by the person to whom it happens…. [I]n its common signification the word means an unexpected happening without intention or design"). **Faulty Workmanship:** *Taylor Morrison Servs. v. HDI-Gerling Am. Ins. Co.,* 746 S.E.2d 587, 594 (Ga. 2013) (holding allegations against a homebuilder for water intrusion, cracks in floors and driveways, and warped and buckling flooring allegedly resulting from improper construction of concrete foundation involved an "occurrence"); *American Empire Surplus Lines Ins. Co. v. Hathaway Dev. Co.,* 707 S.E.2d 369, 372 (Ga. 2011) ("[a]n occurrence can arise where faulty workmanship causes unforeseen or unexpected damage to other property"); *see also Trehel Corp. v. Owners Ins. Co.*, 2014 WL 11820250 (N.D. Ga.	**Physical Injury to Tangible Property:** *South Carolina Ins. Co. v. Coody*, 813 F. Supp. 1570, 1575 (M.D. Ga. Feb. 11, 1993) (holding the policies at issue define property damage as physical injury to tangible property, "and it is clear that contamination of property by hazardous waste is a physical injury to tangible property"). **Loss of Use:** *Taylor Morrison Servs. v. HDI-Gerling Am. Ins. Co.,* 746 S.E.2d 587, 595 (Ga. 2013) ("[w]hen faulty workmanship in residential construction is the 'occurrence,' 'property damage' may be found only when the faulty workmanship causes physical injury to, or the loss of use of, nondefective property or work."). **Resulting Property Damage:** *Taylor Morrison Servs. v. HDI-Gerling Am. Ins. Co.,* 746 S.E.2d 587, 595 (Ga. 2013) ("[w]hen faulty workmanship in residential construction is the 'occurrence,' 'property damage' may be found only when the faulty workmanship causes physical injury to, or the loss of use of, nondefective property or work"). **Rip and Tear Costs or Incorporation of a Defective Component:** *Gentry Machine Works Inc. v. Harleysville Mut. Ins. Co.*, 621 F. Supp. 2d 1288, 1295 (M.D. Ga. June 30, 2008) (finding "business risk exclusions" precluded coverage except to the extent the insured's defective product caused damage to other property and holding the exclusions barred coverage for almost all of the costs associated with repair of the pedestal part of a boiler, including repair and replacement costs and costs of inspecting the boiler); *Taylor Morrison Servs. v. HDI-Gerling Am. Ins. Co.,* 746 S.E.2d 587, 591 n.10 (Ga. 2013) (finding the mere inclusion of a defective component does not constitute property damage until that defective component results in physical injury to some other tangible property).

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Georgia	Nov. 19. 2014) (noting that CGL policies generally do not cover contract claims arising out of the insured's defective work or product, but this is by operation of the CGL's business risk exclusions, not because a loss actionable only is contract can never be the result of an "occurrence"). **Subcontractor's Faulty Workmanship***:* *Stratton & Co., Inc. v. Argonaut Ins. Co.*, 469 S.E.2d 545, 547 (Ga. Ct. App. 1996) (finding broad form endorsement deleting phrase "on behalf of" narrows exclusions found in basic policy so as not to preclude coverage regarding faulty work or materials performed or supplied by subcontractors).	
Hawaii	**Generally**: Haw. Rev. Stat. § 431:1-217(a) ("[t]he meaning of the term 'occurrence' shall be construed in accordance with the law as it existed at the time that the insurance policy was issued"). **Faulty Workmanship:** *Nautilus Ins. Co. v. 3 Builders Inc.,* Case No. 11-00303, 955 F. Supp. 2d 1121, 1137 (D. Haw. 2013) (finding allegations of faulty workmanship do not constitute an "occurrence" absent allegations of breach of an independent duty that transcends claims arising from breach of contract or warranties); *Group Builders, Inc. v. Admiral Ins. Co.*, 2013 WL 1579600 (Haw. Ct. App. Apr. 15, 2013) (finding the insurer had a duty to defend insured builder for claims arising out of alleged design and construction defects which led to mold infestation in a hotel complex); *see also Group Builders v. Admiral Ins. Co.,* 231 P.2d 67, 73 (Haw. Ct. App. 2010) (finding under Hawaii law, construction defect claims do not constitute an "occurrence" under a CGL policy).	**Loss of Use:** *Hawaiian Ins. & Guar. Co. Ltd. v. Blair, ltd.* 726 P.2d 1310, 1315 (Haw. Ct. App. Oct. 17, 1986) (finding diminution in value does not constitute loss of use). **Resulting Property Damage:** *Group Builders, Inc. v. Admiral Ins. Co.,* 231 P.3d 67 (Haw. Ct. App. 2010) (finding mold damage and resulting use of the hotel qualifies as property damage) (called into question by Haw. Rev. Stat. § 431:1-217(a)); *see also State Farm Fire Cas. Co. v. GP West, Inc.,* 190 F. Supp. 3d 1003, 1018 (D. Haw. 2016) (suggesting that even after Act 83, rule still stands that CGL policies do not provide coverage for contract or contract-based tort claims). **Rip and Tear Costs or Incorporation of a Defective Component:** *Association of Apartment Owners of Newtown Meadows ex rel. its Bd. Of Directors v, Venture 15, Inc.*, 167 P.3d 225, 294 (Haw. 2007) (citing with approval that economic loss rule applies to condominium construction defects when defective product is component art of an integrated structure).

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Idaho	**<u>Generally</u>:** *Millers Mut. Fire Ins. Co. of Texas v. Ed Bailey, Inc.*, 647 P.2d 1249, 1251 (Idaho 1982) ("[i]t is well settled that the time of the occurrence of an accident,' within the meaning of a liability indemnity policy, is not the time the wrongful act was committed but the time the complaining party was actually damaged").	**<u>Loss of Use</u>:** *Western Heritage Ins. v. Green*, 54 P.3d 948, 952 (Idaho 2002) (holding loss of use of soil in potato field following policyholder's misapplication of chemicals was property damage under provision of CGL policy defining property damage to include loss of use of tangible property which has not been physically injured or destroyed, since soil lacked nutrients and weed prevention as result of misapplication, even though such damage may have only been temporary); *Millers Mut. Fire Ins. Co. of Texas v. Ed Bailey, Inc.*, 647 P.2d 1249, 1251 (Idaho 1982) (finding "property damage" includes "property not directly damaged, the use of which is dependent in some manner upon the availability of property which is directly damaged"). **<u>Resulting Property Damage</u>:** *Millers Mut. Fire Ins. Co. of Texas v. Ed Bailey, Inc.*, 647 P.2d 1249, 1251 (Idaho 1982) ("'[i]t is well settled that the time of the occurrence of an accident,' within the meaning of a liability indemnity policy, is not the time the wrongful act was committed but the time the complaining party was actually damaged").
Illinois	**<u>Generally</u>:** *Travelers Personal Ins. Co. v. Edwards,* 48 N.E.3d 298, 303 (Ill. App. 2016) (noting Illinois courts have defined an "accident" as an "unforeseen occurrence, usually of an untoward or disastrous character or an undesigned sudden or unexpected event of an inflictive or unfortunate character"); *Monticello Ins. Co. v. Wil-Freds Const., Inc.*, 661 N.E.2d 451, 455 (Ill. App. 1996) (holding the natural and ordinary consequences of act does not constitute an "accident" within the definition of "occurrence" in a CGL policy).	**<u>Physical Injury to Tangible Property</u>:** *Westfield Ins. Co. v. West Van Buren,* 59 N.E. 3d 877, 884 (Ill. App. 2016) (noting tangible property suffers a "physical" injury when the property is altered in appearance, shape, color or in other material dimension, and does not suffer physical injury if it suffers intangible damage, such as diminution in value); *State Farm Fire and Cas. Co. v. Tillerson*, 777 N.E.2d 986, 991 (Ill. App. 2002) (noting the underlying complaint sought recovery for economic loss, not physical injury to tangible property, and did not allege that contractor tortiously injured homeowner's residence when he allegedly failed to take necessary precautions to prevent uneven settling of the soil beneath the room addition he constructed).

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Illinois	<u>**Faulty Workmanship**</u>: *Stoneridge Dev. Co. v. Essex Ins. Co.*, 888 N.E.2d 633, 652-54 (Ill. App. Ct. 2008) (finding where the results of the alleged defect are the natural and ordinary consequence of the defective work, they do not constitute an "occurrence"); *Pekin Ins. Co. v. Richard Marker Assocs., Inc.*, 682 N.E.2d 362 (Ill. 1997) (finding where faulty workmanship caused water damage to homeowners' furniture, clothing, and antiques, there was an "occurrence"); *Milwaukee Mut. Ins. Co. v. J. P. Larsen, Inc.*, 956 N.E.2d 524, 532 (Ill. App. 2011) (finding damage to something other than the project itself does constitute an "occurrence"); *Westfield Ins. Co. v. National Decorating Service, Inc.,* 863 F.3d 690 (7th Cir. 2017) (Illinois law) (finding an "occurrence" when the named insured contractor's faulty workmanship causes damage to a building that is beyond the scope of its own work); *Allied Property & Cas. Ins. Co. v. Metro North Condo. Association*, 850 F.3d 844, 848 (7th Cir. 2017) (Illinois law) (holding insurer had no duty to defend a claim for breach of implied warranty of habitability against window subcontractor for water damage because the measure of damages for such a claim was the cost of repairing the defective condition). <u>**Subcontractor's Faulty Workmanship:**</u> *Stoneridge Dev. Co. v. Essex Ins. Co.*, 888 N.E.2d 633, 656-57 (Ill. App. Ct. 2008) (finding subcontractor exception cannot negate lack of "occurrence" when the damages arose from the natural and ordinary consequence of defective workmanship rather than from an accident).	<u>**Loss of Use**</u>: *Mutlu v. State Farm Fire & Cas. Co.,* 785 N.E.2d 951, 960 (Ill. App. 2003) (finding there can be no coverage for loss of use of tangible property unaccompanied by physical damage or destruction). *Diamond State Ins. Co. v. Chester-Jensen Co., Inc.*, 611 N.E.2d 1083, 1089-90 (Ill. App. 1993) (finding allegations of the complaint did not satisfy the property damage definition "loss of use of tangible property which has not been physically injured or destroyed provided such loss of use is caused by an occurrence," despite allegations that the building was virtually uninhabitable and that this loss of use came from the "continuous or repeated exposure to conditions" which were "neither expected nor intended from the standpoint of the insured"). <u>**Resulting Property Damage**</u>: *Milwaukee Mut. Ins. Co. v. J. P. Larsen, Inc.*, 956 N.E.2d 524, 532 (Ill. App. 2011) (finding damage to something other than the project itself constitute property damage); *Stoneridge Dev. Co. v. Essex Ins. Co.*, 888 N.E.2d 633, 652-54 (Ill. App. 2008) (finding costs or repair or replacement or diminished value of a home, is economic loss and not "property damage"); *Viking Constr. Mgmt. Inc. v. Liberty Mut. Ins. Co.,* 831 N.E.2d 1, 18 (Ill. App. 2005) (finding where complaint only alleges damage for repair or replacement of defective products, there was no "property damage"). <u>**Rip and Tear Costs or Incorporation of Defective Component**</u>: *Travelers Ins. Co. v. Eijer Mfg., Inc.*, 757 N.E.2d 481, 502 (Ill. 2001) (finding purely economic losses, such as damages for inadequate value, costs of repair or replacement, and diminution in value" that result from "a product's inferior quality or its failure to perform for the general purposes for which it was manufactured and sold … absent physical injury to tangible property").

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Indiana	**Generally**: *Sheehan Constr. Co. v. Cont'l Cas. Co.*, 935 N.E.2d 160, 170 (Ind. 2010) (noting the term "accident" means "an unexpected happening without intention or design"). **Faulty Workmanship:** *Sheehan Constr. Co. v. Cont'l Cas. Co.*, 935 N.E.2d 160, 172 (Ind. 2010) (finding faulty workmanship can constitute an occurrence where it is unexpected and not foreseeable); *Gen. Cas. Ins. v. Compton Const. Co., Inc.*, 2011 WL 939245 (N.D. Ind. Mar. 16, 2011) (noting that the Indiana Supreme Court clarified that CGL polices generally do not cover contract claims arising out of the insured's defective work or product, but this is by operation of the business risk exclusions, not because a loss actionable only in contract can never be the result of an "occurrence"); *Celina Mutual Ins. Co. v. Gallas*, 2017 WL 3747214 (N.D. Ind. Jan. 30, 2017) (acknowledging faulty workmanship can constitute an accident and thus an occurrence when it was caused unintentionally). **Subcontractor's Faulty Workmanship:** *Sheehan Constr. Co. v. Cont'l Cas. Co.*, 935 N.E.2d 160, 170 (Ind. 2010) (holding contractor's commercial general liability policies could provide coverage for subcontractors' faulty workmanship done without intention or design).	**Physical Injury to Tangible Property:** *Westfield Ins. Co. v. Sheehan Constr. Co., Inc.*, 580 F. Supp. 2d 701, 712 (S.D. Ind. Aug. 29, 2008) (holding damages because of faulty workmanship are economic damages and not physical injury to tangible property). **Loss of Use:** *American Ins. Co. v. Crown Packaging Intern.*, 813 F. Supp. 2d 1027, 1043 (N.D. Ind. 2011) (finding the term "property damage" includes tangible property which has been diminished in value or made unless irrespective of any actual physical injury to the tangible property, and would encompass loss of use of soap if insured had to scrap its from sale because of its defects). **Resulting Property Damage:** *American Ins. Co. v. Crown Packaging Intern.*, 813 F. Supp. 2d 1027, 1043 (N.D. Ind. 2011) (finding the term "property damage" includes tangible property which has been diminished in value or made unless irrespective of any actual physical injury to the tangible property). **Rip and Tear Costs or Incorporation of a Defective Component:** *Aetna Life & Cas. V. Patrick Industries, Inc.,* 645 N.E.2d 656, 662 (Ind. Ct. App. 1995) (finding CGL policy did not cover intangible economic loss after an insured supplied defective vinyl-covered particle board, which camper manufacturer eventually replaced with nondefective replacements; claim failed definitional requirement of "property damage," which did not extend coverage for diminution in value of products containing defective components supplied by insured); *American Ins. Co. v. Crown Packaging Intern.*, 813 F. Supp. 2d 1027, 1043 (N.D. Ind. 2011) (finding your work and your product exclusions did not preclude coverage for costs incurred by customer in inspecting, reworking and disposing of defective containers sold by insured manufacturer).

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Iowa	**Generally**: *National Sur. Corp. v. Westlake Investments, LLC,* 880 N.W.2d 724, 736 (Iowa 2016) ("[w]hether an event amounts to an 'accident' that constitutes an 'occurrence' triggering coverage under a modern standard-form CGL policy turns on whether the event itself and the resulting harm were both expected or intended from the standpoint of the insured"); *Pursell Construction, Inc. v. Hawkeye-Security Ins. Co.*, 596 N.W.2d 67 (Iowa 1999) (finding "accident" means an undesignated, sudden, and unexpected event, usually of an afflictive or unfortunate character). **Faulty Workmanship**: *Pursell Construction, Inc. v. Hawkeye-Security Ins. Co.*, 596 N.W.2d 67 (Iowa 1999) ("[d]efective workmanship standing alone, that is, resulting in damages only to the work product itself, is not an occurrence under a CGL policy"). **Subcontractor's Faulty Workmanship**: *National Sur. Corp. v. Westlake Investments, LLC,* 880 N.W.2d 724, 744 (Iowa 2016) ("[d]efective workmanship by an insured's subcontractor may constitute an 'occurrence' under a modern standard-form CGL policy containing a subcontractor exception to the 'your work' exclusion.").	**Physical Injury to Tangible Property**: *Kartridg Pak Co. v. Travelers Indem. Co.*, 425 N.W.2d 687 (Iowa Ct. App. 1988) (finding intangible damages, such as diminution in value, did not constitute "physical injury to or destruction of tangible property" and alleged diminution in value of pork loin meat that contained too much bone for human consumption did not trigger coverage). **Loss of Use**: *First Newton Nat'l Bank v. General Cas. Co. of Wisconsin*, 426 N.W.2d 618 (Iowa 1988) (finding that allegations of loss of real and personal property, being put out of their homes, and lost profits from the farming operation qualified as "property damage" under CGL provisions, and that "property damage" does not require physical injury to tangible property before the loss of use is covered").
Kansas	**Generally**: *Lee Builders, Inc. v. Farm Bureau Mut. Ins. Co.*, 137 P.3d 486 (Kan. 2006) (finding an occurrence is "an undersigned, sudden and unexpected event, usually of an afflictive or unfortunate nature" and the dispositive issue is "whether the resulting damage, not the act performed that led to the damage, was intentionally caused by the insured").	**Physical Injury to Tangible Property**: *Fidelity & Deposit of Maryland v. Hartford Cas.*, 189 F. Supp. 2d 1212 (D. Kan. 2002) (finding "contractor's CGL insurance policy's coverage of 'property damage,' defined as 'physical injury to tangible property,' included physical injury to insured's work product).

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Kansas	**Faulty Workmanship:** *Lee Builders, Inc. v. Farm Bureau Mut. Ins. Co.*, 137 P.3d 486, 495 (Kan. 2006) (holding that damage arose from an occurrence because the faulty materials and workmanship provided by the subcontractor caused continuous exposure of the owner's home to moisture, which in turn caused damage that was both unforeseen and unintended); *Fidelity & Deposit of Maryland v. Hartford Cas.*, 189 F. Supp. 2d 1212 (D. Kan. 2002) (finding "cracked walls and other structural damage to construction project allegedly caused by insured contractor's and subcontractor's negligent workmanship constituted an 'occurrence'"). **Subcontractor's Faulty Workmanship:** *Lee Buildings, Inc. v. Farm Bureau Mut. Ins. Co.*, 104 P.3d 997, 1103 (Kan. Ct. App. 2005)(holding faulty workmanship and materials provided by subcontractor caused continuous and repeated exposure to claimants home resulting in an occurrence).	**Rip and Tear Costs or Incorporation of a Defective Component:** *Fid. & Deposit Co. of Maryland v. Hartford Cas. Ins. Co.*, 215 F. Supp. 2d 1171, 1184 (D. Kan. 2002) (holding measure of damages is what it would have cost to fix the cracks and other physically injured property at a construction project); *Lexington Ins. Co. v. W. Roofing Co.,* 316 F. Supp. 2d 1142, 1147 (D. Kan. 2004) (noting when determining whether property damage consists of damage to the goods themselves or to "other property," the Kansas Court of Appeals has adopted the integrated system approach set forth in Restatement (Third) of Torts: Products Liability § 21 cmt. e (1997)).
Kentucky	**Generally:** *Cincinnati Ins. Co. v. Motorists Mut. Ins. Co.*, 306 S.W.3d 69, 73-74 (Ky. 2010) ("[i]nherent in the plain meaning of 'accident' is the doctrine of fortuity," which requires the loss to be without the intent of the insured); *Westfield Ins. Co. v. Tech Dry, Inc.*, 336 F.3d 503 (6th Cir. 2003) (Kentucky law) (finding the term "accident" means something that did not result from design, plan or intent on the part of the insured). **Faulty Workmanship:** *Cincinnati Ins. Co. v. Motorists Mut. Ins. Co.*, 306 S.W.3d 69, 80 (Ky. 2010) ("[f]aulty workmanship, standing alone, does not constitute an occurrence under a commercial general liability insurance	

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Kentucky	policy because "a failure of workmanship does not involve the fortuity required to constitute an accident"); *Bituminous Cas. Corp. v. Kenway Contracting, Inc.*, 240 S.W.3d 633, 640 (Ky. 2007) (holding claim that a demolition contractor destroyed the wrong property constituted an "occurrence" under a CGL policy because it was not the plan, design, or intent of the insured to damage the wrong property); *Liberty Mut. Fire Ins. Co. v. Kay & Kay Contracting, LLC*, 545 Fed. Appx. 488, 495 (6th Cir. 2013) (Kentucky law) (holding allegations that insured produced a defective pad site that resulted in settling and cracking in a building was not an "occurrence"); *McBride v. Acuity*, 510 Fed. Appx. 451, 452 (6th Cir. 2013) (Kentucky law) (holding that faulty workmanship does not constitute an "occurrence" under a CGL policy for damages caused by the defective work of a subcontractor).	
Louisiana	<u>**Generally**</u>: *Iberia Parish School Bd. v. Sandifer & Son Construction Co.*, 721 So. 2d 1021 (La. Ct. App. 1998) ("[w]hether there has been an occurrence … depends upon whether there has been an accident, not upon the legal cause or consequence of that accident"); <u>**Faulty Workmanship**</u>: *Western World Ins. Co., Inc. v. Paradise Pools & Spas, Inc.*, 633 So. 2d 790 (La. Ct. App. 1994) (finding swimming pool contractor's general liability policy's definition of covered occurrence as an accident including continuous or repeated exposure to conditions that result in property damage was found to be ambiguous in the context of whether the development of cracks in a pool constituted an "occurrence"); *Iberia Parish School Bd. v. Sandifer & Son Construction Co.*, 721 So. 2d 1021 (La. Ct. App. 1998) (finding "defective workmanship or the incorporation of defective materials is an 'accident'" and "the resulting property damage	<u>**Physical Injury to Tangible Property**</u>: *Lafayette Ins. Co. v. C.E. Albert Const. Co., Inc.*, 661 So. 2d 1093 (La. Ct. App. 1995) (finding failure of defective wiring was not covered under liability policy of contractor in effect at time of installation; alleged negligent conduct, installing defective wiring, was not physical injury to tangible property during policy period resulting from occurrence during that period). <u>**Resulting Property Damage**</u>: *Davis v. Nola Home Constr., L.L.C.*, 222 So. 3d 833, 844 (La. Ct. App. 2017) (finding that given that insurer's policy afforded coverage for property damage that continued even after the end of the policy period, coupled with the evidence that the Plaintiffs' house sustained damage during the policy period, the insurer's policy provided coverage).

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Louisiana	triggers coverage under an 'occurrence' basis policy, even if the sole cause is improper construction and the only damage is to the work performed by the contractor"); *Trade-Winds Environmental Restoration, Inc. v. Stewart*, 653 F. Supp. 2d 649 (E.D. La. 2009) (noting that the issuer of a CGL policy was not a surety for a construction contractor's defective work, and thus, that commercial liability policies were construed to preclude claims for contractual liability of an insured for economic loss due to faulty workmanship or non-bargained-for outcomes).	
Maine	**Generally**: *Honeycomb Systems, Inc. v. Admiral Ins. Co.*, 567 F. Supp. 1400 (D. Me. 1983) (finding an occurrence under insurance policy happens when injurious effects of occurrence become "apparent," or "manifest themselves"). **Faulty Workmanship**: *Lyman Morse Boatbuilding, Inc. v. Northern Assur. Co. of Am.*, 772 F.3d 960, 966 (1st Cir. 2014) (Maine law) (holding there was no coverage for an insured boat building company where the complaint sought damages for replacing defective workmanship, which was a business risk specifically excluded from the policy); *Baywood Corp. v. Maine Bonding & Cas. Co.*, 628 A.2d 1029 (Me. 1993) (finding "because the complaint does not allege actual damage to property but rather seeks damages for replacing defective workmanship, which is a business risk specifically excluded from the policy, they have no obligation to defend the underlying action…." and holding a CGL policy covers property damage resulting from "negligent workmanship," but does not cover "repair and replacement of faulty work").	**Loss of Use**: *L. Ray Packing Co. v. Commercial Union Ins. Co.*, 469 A.2d 832 (Me. 1983) (finding that while the phrase "loss of use of tangible property," used to define term "property damage" in general liability policy, includes tangible property which has been diminished in value or made useless irrespective of any physical injury to property, phrase does not include mere economic damage such as loss of investments, anticipated profits, and financial interests).

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Maryland	**Generally**: *State Auto. Mut. Ins. Co. v. Old Republic Ins. Co.,* 115 F. Supp. 3d 615, 621 (D. Md. 2015) (finding whether there is an "occurrence" depends on whether the damage was foreseeable or expected and whether there was damage to non-defective work); *Mitchell, Best & Visnic, Inc. v. Travelers Property Cas. Corp.*, 121 F. Supp. 2d 848 (D.Md. Nov. 22, 2000) ("insurance policies that cover damages caused by an 'accident' do not cover damages which are the natural and probable consequences of negligent acts"). **Faulty Workmanship**: *State Auto. Mut. Ins. Co. v. Old Republic Ins. Co.*, 115 F. Supp. 3d 615 (D. Md. 2015) (finding allegations against an insured HVAC contractor's arising out of a subcontractor's defective work that allegedly caused damage to the non-defective HVAC components constituted an "occurrence"); *Lerner Corp. v. Assurance Co. of Am.*, 707 A.2d 906 (Md. Ct. App. 1998) (finding "[d]amage to the façade of the building caused by a latent defect" did not involve an "occurrence," but "if the defect causes unrelated and unexpected… property damage to something other than the defective object itself, the resulting damages, subject to the terms of the applicable policy, may be covered…. [I]f a collapse of the veneer had injured a user of the facility or damaged property other than the veneer itself, these may well be covered").	**Physical Injury to Tangible Property**: *Depositors Ins. Co. v. W. Concrete, Inc.,* 2017 WL 3383039 (D. Md. Aug. 4, 2017) (finding that while there was a risk that rebar and ducts would suffer corrosion if left exposed, the mere possibility of damage is not "physical injury" in the form of "physical injury to tangible property"); *Harbor Court Associates v. Kiewit Const. Co.*, 6 F. Supp. 2d 449 (D. Md. 1998) (finding allegations of cracking, distress, buckling, and failure of brick veneer of hotel and condominium complex was "physical injury to tangible property" and, "property damage" even if the building was part of insureds' work product). **Loss of Use**: *Mitchell, Best & Visnic, Inc. v. Travelers Property Cas. Corp.*, 121 F. Supp. 2d 848 (D. Md. 2000). (finding obstruction of view did not constitute "property damage "within CGL policy's definition of such damage as "loss of use of tangible property").
Massachusetts	**Generally**: *Lane v. Worcester Mut. Ins. Co.*, 430 N.E.2d 874 (Mass. Ct. App. 1982) (finding an act committed intentionally but without malice or desire to injure could lead to accidental results giving rise to an "occurrence").	**Physical Injury to Tangible Property**: *Essex Ins. Co. v. BloomSouth Flooring Corp.*, 562 F.3d 399 (1st Cir. 2009) (Massachusetts law) (finding odor allegedly caused by defective carpeting in building may constitute "physical injury" to property); *American Home Assurance Co. v. Libbey-Owens-Ford Co.*, 786 F.2d 22 (1st Cir. 1986) (Massachusetts law) ("[a]lthough the plain language of the policy does

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Massachusetts	**Faulty Workmanship:** *American Home Assur. Co. v. AGM Marine Contractors, Inc.*, 379 F. Supp. 2d 134 (D. Mass. 2005) (finding faulty workmanship resulting in property damage to floating docks was not a covered "occurrence"); *Nat'l Union Fire Ins. Co. v. Modern Cont'l Constr. Co.*, 2009 WL 6376180 (Mass. Super. Ct. 2009) (holding that a ceiling collapse arising out of the installation of a ceiling system was an "occurrence" and reasoning that "[w]hile a crack in the ceiling or a leak might be expected to result from [the contractor's] faulty workmanship, it is unlikely that [the contractor] intended for or expected a portion of the concrete ceiling to completely collapse").	require that some physical injury to tangible property must occur, other than for loss of use claims, the policy language does not preclude the possibility that physical injury to the insured's own property can constitute such property damage"). **Loss of Use:** *American Home Assur. Co. v. Libbey-Owens-Ford Co.*, 786 F.2d 22 (1st Cir. 1986) (Massachusetts law) (finding plain language of a CGL policy issued by an excess insurer required some physical injury to tangible property, other than loss of use).
Michigan	**Generally:** *Frankenmuth Mut. Ins. Co. v. Masters*, 595 N.W.2d 832 (Mich. 1999) (finding that where a direct risk of harm is intentionally created by an insured, and property damage results, there is no liability coverage, even if the specific result was unintended and an insured need not act unintentionally for the act to constitute an "accident" and therefore an "occurrence"); *Hawkeye-Security Ins. Co. v. Vector Constr. Co.*, 460 N.W.2d 329 (Mich. Ct. App. 1990) (finding an accident "may be anything that begins to be, that happens, or that is a result which is not anticipated and is unforeseen and unexpected by the person injured or affected thereby-that is, takes place without the insured's foresight or expectation and without design or intentional causation on his part. In other words, an accident is an undesigned contingency, a casualty, a happening by chance, something out of the usual course of things, unusual, fortuitous, not anticipated, and not naturally to be expected'").	**Physical Injury to Tangible Property:** *Dimambro-Northend Associates v. United Constr., Inc.*, 397 N.W.2d 547 (Mich. Ct. App. 1986) (finding a CGL insurer was liable for payment of judgment against insured in favor of construction company for increase in labor costs, increased costs for demobilization and remobilization of work force, overhead, profit, interest, labor costs, and lost profits incurred as result of its inability to connect up its tunnel portion of a construction project because of a fire in the insured company's tunnel). **Loss of Use:** *Underwriters at Interest v. SCI Steelcon*, 905 F. Supp. 441 (W.D. Mich 1995) (finding building owner's loss of use of building that steel erection contractor had improperly constructed was property damage that resulted from an "occurrence" within the meaning of contractor's CGL insurance policy even though contractor's actions were negligent).

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Michigan	**<u>Faulty Workmanship</u>:** *Steel Supply & Eng'g Co. v. Illinois Nat. Ins. Co.*, 620 Fed. Appx. 442 (6th Cir. 2015) (Michigan law) (finding defective workmanship alone is not an "occurrence" in an insurance policy, but rather for coverage, the faulty work must cause damage to "the property of others"); *Oak Creek Apartments, LLC v. Garcia*, 2009 WL 6376180 (Mich. Ct. App. Mar. 21, 2013) (holding that the insured's defective workmanship resulted in damage that was clearly not confined to the insured's work product and injured property other than the insured's work, and thus the damage was "accidental" and resulted from an "occurrence" within the meaning of the policy); *Hawkeye-Security Ins. Co. v. Vector Const. Co.*, 460 N.W.2d 329 (Mich. Ct. App. 1990) ("[t]he fortuity implied by reference to accident or exposure is not what is commonly meant by a failure of workmanship…").	
Minnesota	**<u>Generally</u>:** *Johnson v. AID Ins. Co. of Des Moines, IA*, 287 N.W.2d 663 (Minn. 1980) ("[a]n insured contractor's willful and knowing violations of contract specifications and expected standards of workmanship do not establish an 'occurrence'"). **<u>Faulty Workmanship:</u>** *Johnson v. AID Ins. Co. of Des Moines, IA*, 287 N.W.2d 663 (Minn. 1980) (holding an insured's "willful and knowing violations of contract specifications and expected standards of workmanship" was not an "occurrence"); *Ohio Casualty Ins. Co. v. Terrace Enterprises, Inc.*, 260 N.W.2d 450 (Minn. 1977) (holding settling of an apartment building resulting from the insured's faulty construction qualified as "occurrence").	**<u>Physical Injury to Tangible Property</u>:** *Tschimperle v. Aetna Cas. & Sur. Co.*, 529 N.W.2d 421 (Minn. Ct. App. 1995) ("[t]he general rule is that loss of investment does not constitute damage to tangible property"). **<u>Loss of Use:</u>** *Corn Plus Co-op. v. Cont'l Cas. Co.,* 444 F. Supp. 2d 981, 990 (D. Minn. July 27, 2006) (finding that all "property damage" to ethanol facility due to defective welding by contractor, including loss of use of the facility and decreased ethanol production is excluded from coverage under the Impaired Property exclusion); *Tschimperle v. Aetna Cas. & Sur. Co.*, 529 N.W.2d 421 (Minn. Ct. App. 1995) (finding that there could be no recovery for intangible losses unless there was physical damage to others' property).

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Minnesota	**Subcontractor's Faulty Workmanship:** *Wanzek Constr., Inc. v. Employers Ins. of Wausau*, 679 N.W.2d 322 (Minn. 2004) (holding CGL policy provided coverage for faulty work of subcontractor).	
Mississippi	**Generally:** *Architex Ass'n, Inc. v. Scottsdale Ins. Co.,* 27 So. 3d 1148, 1162 (Miss. 2010) ("[t]he term 'occurrence' cannot be construed ... to preclude coverage for unexpected or unintended 'property damage' resulting from negligent acts or conduct of a subcontractor"); *U.S. Fidelity & Guar. Co. v. Omnibank*, 812 So. 2d 196 (Miss. 2002) ("[a]n accident by its very nature, produces unexpected and unintended results…. [E]ven if an insured acts in a negligent manner, that action must still be accidental and unintended in order to implicate policy language'"). **Faulty Workmanship:** *Architex Ass'n v. Scottsdale Ins. Co.*, 27 So. 3d 1148, 1162 (Miss. 2010) (finding whether "faulty workmanship" is an "occurrence" must be determined from the specific facts of a case and holding claim arising from the insured's subcontractor's faulty workmanship involved an "occurrence"). **Subcontractor's Faulty Workmanship:** *Architex Ass'n v. Scottsdale Ins. Co.*, 27 So. 3d 1148, 1162 (Miss. 2010) ("the term 'occurrence' cannot be construed in such a manner as to preclude coverage for unexpected or unintended 'property damage' resulting from negligent acts or conduct of a subcontractor, unless otherwise excluded").	**Physical Injury to Tangible Property:** *Rogers v. Allstate Ins. Co.*, 938 So. 2d 871 (Miss. Ct. App. 2006) (finding an injury to reputation and financial losses were not physical injuries or damage to tangible property); *Audubon Ins. Co. v. Stefancik*, 98 F. Supp. 2d 751 (S.D. Miss. Nov. 24, 1999) (finding allegations that insured corporation's officers' intentional torts caused plaintiffs to suffer lost income, lost health benefits and lost investments were not within CGL policy's coverage of property damage, where such damage was defined as "physical injury to tangible property").

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Missouri	**<u>Generally</u>**: *Hawkeye-Security Ins. Co. v. Davis*, 6 S.W.3d 419 (Mo. Ct. App. 1999) (finding an accident "is an event that takes place without one's foresight or expectation; it is undesigned, sudden, and unexpected"). **<u>Faulty Workmanship</u>:** *Hawkeye-Security Ins. Co. v. Davis*, 6 S.W.3d 419 (Mo. Ct. App. 1999) (holding homebuilder's breach of contract and warranties in connection with construction was not an "accident "and thus was not an "occurrence"). **<u>Subcontractor's Faulty Workmanship</u>:** *Columbia Mut. Ins. Co. v. Epstein*, 239 S.W.3d 667 (Mo. Ct. App. 2007) (holding contractor's liability for damage caused by a subcontractor's faulty workmanship arose out of an "occurrence").	**<u>Physical Injury to Tangible Property</u>:** *Village at Deer Creek Homeowners Ass'n, Inc. v. Mid-Continent Cas. Co.*, 432 S.W.3d 231 (Mo. Ct. App. 2014) (holding the cost to repair and replace exterior cladding that allowed water intrusion into townhomes was "property damage" as the defectively installed system damaged, not only components of the cladding system, but also other components of the exteriors of each townhome, and removal of some or all of the system was necessary to repair water intrusion damage); *Taylor-Morley- Simon, Inc. v. Michigan Mut. Ins. Co.*, 645 F. Supp. 596 (E.D. Mo. Sept. 23, 1986) (finding "[t]he cracking of walls, ceilings, and floors; the stress on water and gas lines, and the loosening of ducts" in a home constituted physical injury to tangible property).
Montana	**<u>Generally</u>**: *Farmers Union Mut. Ins. v. Kienenberger*, 847 P.2d 1360, 1361 (Mont. 1993) (finding the term "accident" generally refers to any unexpected happening that occurs without intent or design); *Burns v. Underwriters Adjusting Co.*, 765 P.2d 712 (Mont. 1988) (finding the mere fact that acts are intentional does not preclude coverage unless the resulting injuries are expected or intended). ***<u>Faulty</u>* <u>Workmanship</u>*:*** *See Stillwater Condo. Ass'n v. Am. Home Assur. Co.*, 508 F. Supp. 1075 (D. Mont. Mar. 6, 1981) (holding business risk exclusions unambiguously eliminate coverage for repair or replacement of the insured's own faulty work).	**<u>Physical Injury to Tangible Property:</u>** *Truck Ins. Exch. v. O'Mailia*, 343 P.3d 1183 (Mont. 2015) (finding that pyrolysis of wood surrounding water heater installed by insured, as a result of exposure to excessive temperatures, was not physical injury to or loss of use of tangible property, as required to qualify as "property damage"; at most, pyrolysis created a condition that increased the risk of property damage); *Mutual Serv. Cas. Ins. v. Co-Op Supply*, 699 F. Supp. 1438 (D. Mont. Nov. 9, 1988) (finding allegations of "past and future salary, loss of health benefits, and other benefits of employment…do not involve tangible property and, therefore, any sums [the insured] might become obligated to pay in the underlying action would not be a result of 'property damage' as defined in the subject policy"); *Aetna Casualty & Surety Co. v. First Security Bank*, 662 F. Supp. 1126, 1129-30 (D. Mont. 1987) (finding lost wages,

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Montana	**Subcontractor's Faulty Workmanship:** *Revelation Indus., Inc. v. St. Paul Fire & Marine Ins. Co.*, 206 P.3d 919 (Mont. 2009) (deciding subcontractor's faulty product constituted an "event" so as to be covered by subject CGL policy).	diminished earning capacity, and damage to reputation alleged in an action for wrongful termination do not constitute "property damage"). **Loss of Use:** *Phoenix Ins. Co. v. Ed Boland Constr., Inc.*, 229 F. Supp. 3d 1183 (D. Mont. 2017) (finding that construction equipment that sat idle during construction delay caused by insured subcontractor's allegedly deficient performance did not constitute loss of use of tangible property, and thus did not qualify as "property damage"); *Generali-U.S. Branch v. Alexander*, 87 P.3d 1000 (Mont. 2004) (finding no coverage where a claimant "seeks compensation for…lost payments and not for physical injury to their property, nor for loss of use of that property"). **Resulting Property Damage:** *J. G. Link & Co. v. Continental Cas. Co.*, 470 F.2d 1133 (9th Cir. 1972) ("[i]f the policy is considered an 'occurrence' policy, that is one in which the act or omission must occur during the policy period for there to be coverage…then had the act or omission occurred during the policy period, it certainly would have been a violation of Montana policy…to limit the time within which a party may enforce his rights").
Nebraska	**Generally:** *Sullivan v. Great Plains Ins. Co.*, 317 N.W.2d 375, 379 (Neb. 1982) ("[a[n 'accident' is understood in the liability insurance context as 'an unexpected happening without intention'"). **Faulty Workmanship:** *Mapes Industries, Inc. v. United States Fidelity & Guar. Co.*, 560 N.W.2d 814 (Neb. 1997) ("finding coverage is for tort liability for physical damages to others and not for contractual liability of the insured for economic loss and that the policy was a liability policy, not a contract in the nature of a performance bond or guarantee	**Loss of Use:** *Drake–Williams Steel, Inc. v. Cont'l Cas. Co.*, 883 N.W.2d 60, 67 (Neb. 2016) (finding that as there was no claim by the insured for damages due to the temporary loss of use of an arena during a period of remediation, there was no "loss of use," as used in the definition of "property damage"). **Rip and Tear Costs or Incorporation of a Defective Component** *Drake–Williams Steel, Inc. v. Cont'l Cas. Co.*, 883 N.W.2d 60, 67-68 (Neb. 2016) (holding that insurer had no duty to reimburse steel rebar fabricator of the additional structural changes necessary to correct non-conforming rebar that had been incorporated into pile caps that supported concrete column

STATE	Is Faulty Workmanship An Occurrence?	Does Faulty Workmanship Result in Property Damage?
Nebraska	of satisfactory construction”). **<u>Subcontractor’s Faulty Workmanship:</u>** *Auto-Owners Ins. Co. v Home Pride Co.*, 684 N.W.2d 571 (Neb. 2004) (holding contractor’s liability for damage caused by a subcontractor’s faulty workmanship arose out of an “occurrence”).	installed in constructing an arena because there was no “physical injury” to the rebar or the pile caps in which the rebar was cemented).
Nevada	**<u>Generally</u>**: *United Natl. Ins. v. Frontier Ins*, 99 P.2d 1153 (Nev. 2004) (“the plain meaning of the language in the CGL insurance policy is unambiguous. The meaning of the word ‘occurrence’ and the phrase ‘property damage,’ read together, require that a tangible, physical injury occur during the policy period in order to trigger coverage under an occurrence policy”).	**<u>Physical Injury to Tangible Property</u>**: *United Na’tl. Ins. v. Frontier Ins.*, 99 P.3d 1153 (Nev. 2004) (“the meaning of the word ‘occurrence’ and the phrase ‘property damage,’ read together, require that a tangible, physical injury occur during the policy period in order to trigger coverage under an ‘occurrence’ policy”). **<u>Resulting Property Damage</u>**: *Md. Cas. Co. v. Am. Safety Indem. Co.*, 2013 WL 1007707 (D. Nev. Mar. 12, 2013) (noting that the policy’s definition of “occurrence” indicated a broader scope than solely the negligent acts of the insured and was also “susceptible to the interpretation that ‘the resulting damage, not the [negligent act of the insured], is still a defining characteristic of the occurrence that must take place during the policy period to create coverage’”).
New Hampshire	**<u>Generally</u>**: *Brown v. Concord Group Ins. Co.,* 528 44 A.3d 586, 591 (N.H. 2012) (“[f]or the purpose of determining whether there was an ‘occurrence,’ work product also means discrete jobs demarcated by their completion”); *Vermont Mut. Ins. Co. v. Malcolm*, 517 A.2d 800, 802 (N.H. 1986) (“[a]n accident is an undesigned contingency,… a happening by chance, something out of the usual course of things, unusual, fortuitous, not anticipated, and not naturally to be expected”); *High Country Associates v. New Hampshire Ins. Co.*, 648 A.2d 474 (N.H. 1994) (finding an	**<u>Physical Injury to Tangible Property</u>**: *Webster v. Acadia Ins. Co.*, 930 A.2d 388 (N.H. 2007) (finding allegations of temporary buckling of purlins constituted physical injury to tangible property even if they did not require repair or replacement); *High Country Associates v. New Hampshire Ins. Co.*, 648 A.2d 474 (N.H. 1994) (finding allegations of actual damage caused to a building resulting from water intrusion arose out of physical injury to tangible property).

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New Hampshire	"accident" means "circumstances, not necessarily a sudden and identifiable event, that were unexpected or unintended from the standpoint of the insured"). **Faulty Workmanship:** *Patriot Ins. Co. v. Holmes Carpet Ctr., LLC*, 2017 WL 4838755 (D.N.H. Oct. 24, 2017) (finding that the insured's defective work did not constitute an occurrence because any property that is damaged when the defective tile is replaced will be solely the result of the insured's defective workmanship rather than some "intervening fortuitous event or exposure); *High Country Associates v. New Hampshire Ins. Co.*, 648 A.2d 474 (N.H. 1994) (holding damage "caused by continuing exposure to moisture seeping through the walls of the units" arise from an "occurrence"); *McAllister v. Peerless Ins. Co.*, 474 A.2d 1033 (N.H. 1984) ("[t]he fortuity implied by reference to accident or exposure is not what is commonly meant by a failure of workmanship"); *Hull v. Berkshire Mutual Insurance Co.*, 427 A.2d 523 (N.H. 1981) (finding defective work alone does not result from an "occurrence").	**Loss of Use:** *Concord Gen. Mut. Ins. Co. v. Green & Co. Bldg. Corp.*, 8 A.3d 24, 28 (N.H. 2010) (finding the loss of use of the insured's work product, standing alone, is not sufficient to constitute an "occurrence" under the policy); *M. Mooney Corp. v. U.S. Fidelity & Guar. Co.*, 618 A.2d 793 (N.H. 1992) (finding condominium association's claims for damages relating to 47 fireplaces closed by fire marshal after one unit was damaged by fire caused by a single defective fireplace constituted claims for "property damage" caused by "occurrence" under contractor's comprehensive general liability policy, even though individual condominium units were not physically injured).
New Jersey	**Generally:** *Cypress Point Condo. Ass'n, Inc. v. Adria Towers, L.L.C.*, 143 A.3d 273(N.J. 2016) ("the term 'accident' in the policies at issue encompasses unintended and unexpected harm caused by negligent conduct"); *Voorhees v. Preferred Mutual Ins. Co.*, 607 A.2d 1255 (N.J. 1992) (finding an "occurrence" will be found unless the insured's conduct was inherently harmful or manifested some clear intent to cause the type of injury suffered by the claimant).	**Loss of Use:** *S.N. Golden Estates, Inc. v. Continental Cas. Co.*, 680 A.2d 1114, 1117 (N.J. App. Div. 1996) (holding that plaintiff's septic systems failures causing effluent to seep across their lawns and homes resulting in the loss of use of their property constituted an occurrence under CGL policy). **Resulting Property Damage:** *Cypress Point Condo. Ass'n, Inc. v. Adria Towers, L.L.C.*, 143 A.3d 273 (N.J. 2016) (holding that consequential damages caused by the subcontractors' faulty workmanship on a condominium complex constitutes "property damage"); *Aetna Cas. & Sur. Co. v. Ply Gem Industries, Inc.*, 778 A.2d 1132

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New Jersey	**Faulty Workmanship**: *Cypress Point Condo. Ass'n, Inc. v. Adria Towers, L.L.C.*, 143 A.3d 273 (N.J. 2016) (finding "the term 'occurrence' in the policies, consequential harm caused by negligent work is an 'accident' and holding developer… [B]ecause the result of the subcontractors' faulty workmanship here — consequential water damage to the completed and nondefective portions of Cypress Point — was an 'accident,' it is an 'occurrence' under the policies and is therefore covered so long as the other parameters set by the policies are met"); *Weedo v. Stone-E-Brick, Inc.*, 405 A.2d 788, 791-92 (N.J. 1979) (holding "[t]he consequence of not performing well is part of every business venture[, and that] the replacement or repair of faulty goods and works is a business expense, to be borne by the insured-contractor in order to satisfy customers" is a business risk and there is no occurrence "where the damages claimed are the cost of correcting the [alleged defective] work itself"). **Subcontractor's Faulty Workmanship**: *Cypress Point Condo. Ass'n, Inc. v. Adria Towers, L.L.C.*, 143 A.3d 273 (N.J. 2016) (holding developer or general contractor may be covered for damage to work product resulting from subcontractor's faulty workmanship).	(N.J. App. Div. 2001) (holding that a genuine issue of material fact existed as to the date of "property damage" where the evidence did not establish that the plywood started to deteriorate immediately upon installation during the policy periods); *Morrone v. Harleysville Mut. Ins. Co.*, 662 A.2d 562 (N.J. App. Div. 1995) (holding that allegations of exposure to gasoline causing soil and groundwater contamination during policy periods triggered potential coverage under insured's occurrence-based policy even though damage was not asserted until after policies expired).
New Mexico	**Generally**: *O'Rourke v. New Amsterdam Cas. Co.*, 362 P.2d 790, 792 (N.M. 1961) ("the term 'accident' is not defined in the policy, the term must be interpreted in its usual, ordinary and popular sense"); *Knowles v. USAA*, 832 P.2d 394 (N.M. 1992) (holding intentional eviction of a tenant was not an "occurrence" even if the insured did not foresee or intend injury) *King v. Travelers Ins. Co.*, 505 P.2d 1226 (N.M. 1973) ("[a]n insurance policy designed to compensate for damages suffered by 'accidental means' is no less effective	**Physical Injury to Tangible Property**: *G & G Services, Inc. v. Agora Syndicate, Inc.*, 993 P.2d 751, (N.M. Ct. App. 1999) ("[t]he policy did not cover property damage caused by G & G's own work product but did cover damages arising out of work performed on G & G's behalf by a subcontractor"); *Pulte Homes of New Mexico, Inc. v. Indiana Lumbermens Ins. Co.*, 367 P.3d 869 (N.M. Ct. App. 2015) (finding allegations of deterioration of windows and sliding glass doors that needed to be replaced constituted "property damage"); *Sadler v. Pac. Indem. Co.*, 363 Fed. Appx. 560, 562 (10th Cir. 2010) (New Mexico law) (holding that the buyers' claims

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New Mexico	when the damages result from negligence”). **<u>Faulty Workmanship</u>:** *Pulte Homes of New Mexico v. Lumbermens Ins.*, 367 P.3d 869 (N.M. Ct. App. Dec. 17, 2015) (holding that faulty workmanship that causes damage to property other than the defective workmanship itself is covered); *Hartford Fire Ins. Co. v. Gandy Dancer, LLC*, 864 F. Supp. 2d 1157 (D.N.M. Mar. 28, 2012), *on reconsideration in part*, 981 F. Supp. 2d 981 (D.N.M. Aug. 30, 2013) (holding that damage to landowner’s property resulting from construction of a water diversion system by railroad maintenance contractor and railway operator was not caused by an “occurrence” because system was intended to change natural flow of a river and to divert water onto landowner’s property). **<u>Subcontractor’s Faulty Workmanship</u>:** *G & G Services, Inc. v. Agora Syndicate, Inc.*, 993 P.2d 751 (N.M. Ct. App. 1999) (“[t]he policy did not cover property damage caused by G & G’s own work product but did cover damages arising out of work performed on G & G’s behalf by a subcontractor”).	against a seller for misrepresentation of home’s condition resulted in economic loss, not physical damage to property); **<u>Loss of Use</u>:** *Sadler v. Pac. Indem. Co.*, 363 Fed. Appx. 560, 562 (10th Cir. 2010) (New Mexico law) (holding that the buyers’ claims against a seller that home was uninhabitable did not constitute “loss of use of tangible property” under CGL policy and defined it as actual physical damage or destruction).
New York	**<u>Generally</u>**: *Continental Casualty Company v. Plattsburgh Beauty & Barber Supply, Inc.*, 48 A.D.2d 385 (N.Y. App. Div. 1975) (finding whether a result is “accidental” hinges on whether from the insured’s point of view, the event was unexpected or unforeseen); *McGroarty v. Great American Insurance Company*, 329 N.E.2d 172 (N.Y. 1975) (finding a court must examine a “transaction as a whole” to determine whether an event is an “accident.”).	**<u>Physical Injury to Tangible Property</u>:** *Monroe County v. Travelers Ins. Companies*, 100 Misc.2d 417 (N.Y. Sup. Ct. 1979) (finding “[l]ost profits, delay and performance of extra work are not encompassed within the term property damage as that is defined in the policies. They constitute intangibles in contrast to the requirement in the policies of damage to tangible property”). **<u>Loss of Use</u>:** *Village of Camden v. National Fire Ins. Co. of Hartford*, 155 Misc. 2d 607 (N.Y. Sup. Ct. 1992) (holding that insured’s reliance on permit which forced him to demolish his newly built home constituted “loss of use” of his land within the

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New York	**Faulty Workmanship:** *National Union Fire Ins. Co. of Pittsburgh, PA v. Turner Const. Co.*, 119 A.D.3d 103 (N.Y. App. Div. 2014) (holding that there is no "occurrence" under a CGL policy where "faulty construction only damages the insured's own work"); *Jakobson Shipyard, Inc. v. Aetna Casualty & Surety Co.*, 961 F.2d 387, 389 (2d Cir. 1992) (New York law) (holding faulty workmanship is not an "occurrence" triggering coverage under CGL policy); *J.Z.G. Resources, Inc. v. King*, 987 F.2d 98, 102-03 (2d Cir. 1993) (New York law) ("[t]he risk intended to be insured is the possibility that the goods, products or work of the insured, once relinquished or completed, will cause bodily injury or damage to property other than to the product or completed work itself, and for which the insured may be found liable"); *George A. Fuller Co.v. United States Fid. & Guar. Co.*, 200 A.D.2d 255, 259 (N.Y. App. Div. 1994) (finding a liability policy "does not insure against faulty workmanship in the work product itself but rather faulty workmanship in the work product which creates a legal liability by causing bodily injury or property damage to something other than the work product"). **Subcontractor's Faulty Workmanship:** *Nat'l Union Fire Ins. Co. of Pittsburgh, PA v. Turner Const. Co.*, 119 A.D.3d 103 (N.Y. App. Div. 2014) (holding faulty workmanship by subcontractors hired by the insured does not constitute covered property damages caused by an "occurrence" since the entire project is the general contractor's work).	policy definition of "property damage"). **Resulting Property Damage:** *Continental Cas. Co. v. Rapid-Am. Corp.*, 609 N.E.2d 506, 510 (N.Y. 1993) ("[r]esulting damage can be unintended even though the act leading to the damage was intentional. A person may engage in behavior that involves a calculated risk without expecting that an accident will occur"); *Transp Ins. Co. v. AARK Constr. Grp., Ltd.*, 526 F. Supp. 2d 350, 356-57 (E.D.N.Y. 2007) (holding CGL insurer did not cover cost to repair parking garage or loss of use of the structure because "[t]o hold otherwise would convert [the CGL insurer] into a surety for [the builder's] performance"); *Marine Midland v. Samuel Kosoff & Sons, Inc.,* 60 A.D.2d 767, 768 (N.Y. App. Div. 1977) (holding, in a case against insured contractors following installation of a defective roof, that the duty to defend was triggered where the complaint by the building owner alleged "damages well in excess of the value of the roof," including "damages to the building distinct from the roof itself;" because "as a result of the defective roof, the value of the [building] was reduced beyond the value of the roof, then, that differential is harm not to the roof, but to the building itself").

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North Dakota	**Generally**: *Wall v. Penn. Life Ins. Co.*, 274 N.W.2d 208, 216 (N.D. 1979) (finding an "accident" is a "happening by chance, unexpectedly taking place, not according to the usual course of things"). **Faulty Workmanship**: *K & L Homes, Inc. v. Am. Family Mut. Ins. Co.*, 829 N.W.2d 724, 736-37 (N.D. 2013) ("faulty workmanship may constitute an 'occurrence' if the faulty work was 'unexpected' and not intended by the insured, and the property damage was not anticipated or intentional, so that neither the cause nor the harm was anticipated, intended, or expected"). **Subcontractor's Faulty Workmanship:** *K & L Homes, Inc. v. Am. Family Mut. Ins. Co.*, 829 N.W.2d 724, 736-37 (N.D. 2013) (holding that subcontractor's faulty workmanship could constitute an occurrence under contractor's CGL policy where faulty workmanship was unexpected and not intended, and caused damage was not anticipated or intentional).	**Physical Injury to Tangible Property:** *K & L Homes, Inc. v. Am. Family Mut. Ins. Co.*, 829 N.W.2d 724, 736-37 (N.D. 2013) (finding the "damage to the home included cracks, unevenness, and shifting" is physical injury to tangible property); *Friendship Homes, Inc. v. American States Ins. Companies*, 450 N.W.2d 778 (N.D. 1990) (holding negligent installation of fireplace is insufficient to constitute "property damage" until fire damage actually arises). **Resulting Property Damage:** *Friendship Homes, Inc. v. American States Ins. Companies*, 450 N.W.2d 778 (N.D. 1990) (holding no coverage for liability arising out of the negligent installation of a fireplace during the policy period when the actual fire damage did not occur until after the policy expired).
Ohio	**Generally:** *Erie Ins. Exchange v. Colony Dev. Corp.*, 736 N.E.2d 941 (Ohio Ct. App. 1999) ("[i]n its common, ordinary use, the word 'accidental' means unexpected, as well as unintended"). **Faulty Workmanship:** *Westfield Ins. Co. v. Custom Agri Sys.*, 979 N.E.2d 269, 274 (Ohio 2012) ("In keeping with the spirit of fortuity that is fundamental to insurance coverage, we hold that the CGL policy does not provide coverage to [the contractor] for its alleged defective construction of and workmanship on the steel grain bin.... [C]laims of defective	**Resulting Property Damage:** *Cincinnati Ins. Cos. v. Motorists Mut. Ins. Co.*, 18 N.E.3d 875, 880–81 (Ohio Ct. App. 2014) ("*Westfield* did not negate insurer's duty to defend insured in a suit that "sought damages from the consequential risks that stemmed from the work of [the insured]"); *Navigators Specialty Ins. Co. v. Guild Assocs., Inc.*, 2016 WL 6947933 (S.D. Ohio Nov. 28, 2016) (holding CGL policies cover "damage to third parties derived from the work the insured performed"); *Allied Roofing, Inc. v. W. Res. Grp.*, 2013-Ohio-1637 (Ohio Ct. App. Apr. 23, 2013) (holding insured subcontractor's liability for damage to air conditioner units on roof in the process of removing the insured's rubber roofing from a damaged roof did not arise from an "occurrence").

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Ohio	construction or workmanship are not claims for 'property damage' caused by an 'occurrence' under a CGL policy"); *Reggie Constr. v. Westfield Co.*, 2014 WL 4291584 (Ohio Ct. App. Sep. 2, 2014) (finding a CGL policy "'does not cover an accident of faulty workmanship but rather faulty workmanship which causes an accident'"). **Subcontractor's Faulty Workmanship:** *Westfield Ins. Co. v. Custom Agri Sys.*, 979 N.E.2d 269, 274 (Ohio 2012) (holding insured allegations of defective construction and faulty workmanship against that constructed a bin in a feed manufacturing plant and noting that the insured filed third party complaints against subcontractors); *Ohio N. Univ. v. Charles Constr. Servs., Inc.*, 77 N.E.3d 538, 552, *appeal allowed*, 2017 Ohio St. 3d 1452 (holding CGL policy was ambiguous as to whether an insured's liability for a subcontractor's workmanship constitutes an "occurrence").	
Oklahoma	**Generally**: *USF&G v. Briscoe*, 239 P.2d 754, 756 (Okla. 1951) (finding an "accident" is an "event that occurs without foresight or expectation"). **Faulty Workmanship**: *USF&G v. Briscoe*, 239 P.2d 754, 756 (Okla. 1951) (holding claim against contractor who built highway for damage for migration of dust to adjacent property was not an "occurrence"); *Essex Ins. Co. v. Sheppard & Sons Const., Inc.*, 2015 WL 11752917 (W.D. Okla. July 9, 2015) ("faulty workmanship may constitute an accident (and, therefore, an occurrence) under the Policy"); *Employers Mut. Cas. Co. v. Grayson*, 2008 WL 2278593 (W.D. Okla. May 30, 2008) (holding claims against insured alleging it provided defective	**Physical Injury to Tangible Property**: *Boggs v. Great N. Ins. Co.*, 659 F. Supp. 2d 1199, 1211 (N.D. Okla. Sept. 11, 2009) (holding breach of contract claims constituted economic losses, rather than property damage, even if the insured could not use the alleged defective fireplace in the house sold by the insured and the repair of the fireplace would require removal and replacement of other property). **Loss of Use:** *State Auto Prop. & Cas. Ins. Co. v. Midwest Computers & More*, 147 F. Supp. 2d 1113, 1116 (W.D. Okla. 2001) (holding a claimant's inability to use computers as a ruelst of the insured's allegedly negligent computer service work constituted "loss of use" of tangible property and, therefore, "property damage"); *State Farm Fire & Cas. Co. v. Dawson*, 687 Fed. Appx. 740, 745 (10th Cir. 2017) (Oklahoma law) (holding claim that student was not able to

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Oklahoma	concrete for use in construction of a bridge involved an "occurrence"); *North Star Mut. Ins. Co. v. Rose*, 27 F. Supp. 3d 1250, 1252 (E.D. Okla. 2014) ("[f]aulty workmanship can constitute an occurrence … if (1) the property damage was not caused by purposeful neglect or knowingly poor workmanship, and (2) the damage was to non-defective portions of the contractor's or subcontractor's work or to third-party property"); *Dodson v. St. Paul Ins. Co.* 812 P.2d 372 (Okla. 1991) (finding exclusions "eliminate coverage for property damage caused by the lack of quality or performance of the insured's products and for any repair or replacement of the faulty work performed by or on behalf of the insured"); *Kentucky Bluegrass Contracting, LLC v. Cincinnati Ins. Co.*, 363 P.3d 1270, 1277 (Okla. Ct. App. 2015) (holding exclusions barred coverage for "contract-based claim").	attend brick and mortar school and had to attend school online was not claim for "loss of use" of "tangible property").
Oregon	<u>**Generally**</u>: *Albertson's, Inc. v. Great Southwest Fire Ins. Co.*, 732 P.2d 916, rev. denied, 736 P.2d 566 (Or. Ct. App. 1987) (finding an "accident" is an "unforeseen, unexpected and unintended event"). <u>**Faulty Workmanship**</u>: *Oak Crest Construction Co. v. Austin Mut. Ins. Co.*, 905 P.2d 848 (Ore. Ct. App. 1995), *aff'd*, 998 P.2d 1254 (Or. 2000) (holding cost of re-painting a home was not caused by an "occurrence" because there can be no "accident," within the meaning of a commercial liability policy when the resulting damage is merely a breach of contract or one for faulty workmanship); *Willmar Dev., LLC v. Illinois Nat. Ins. Co.*, 726 F. Supp. 2d 1280, 1285 (D. Or. June 21, 2010), *aff'd*, 464 Fed. Appx. 594 (9th Cir. 2011) (holding that while there is no "accident" resulting from a mere breach of contract claim, "damage caused by the negligent performance of a contract can be recoverable in tort" and can give rise to an "occurrence").	<u>**Physical Injury to Tangible Property**</u>: *Wyoming Sawmills, Inc. v. Transportation Ins. Co.*, 578 P.2d 1253 (Or. 1978). ("[t]he inclusion of [the word 'physical'] negates any possibility that the policy was intended to include 'consequential or intangible damage,' such as depreciation in value, within the term 'property damage'"). <u>**Loss of Use**</u>: *Drake v. Mutual of Enumclaw Ins. Co.* 1 P.3d 1065 (Or. Ct. App. 2000) (finding diminished value of property and/or claims of interference with prospective interest in tangible property do not constitute "loss of use" of tangible property under a general liability insurance policy). <u>**Resulting Property Damage**</u>: *MW Builders, Inc. v. Safeco Ins. Co. of Am.*, 267 Fed. Appx. 552, 554 (9th Cir. 2008) (Oregon law) ("[f]or a claim of faulty workmanship to give rise to 'property damage,' a claimant must demonstrate that there is damage to property separate from the defective property itself").

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Oregon	**<u>Subcontractor's Faulty Workmanship</u>:** *Willmar Dev., LLC v. Illinois Nat. Ins. Co.*, 726 F. Supp. 2d 1280, 1285 (D. Or. June 21, 2010), *aff'd*, 464 Fed. Appx. 594 (9th Cir. 2011) (holding damage caused by an insured's subcontractor may constitute an "occurrence"); *West Hills Dev. Co. v. Chartis Claims, Inc. Oregon Auto. Ins. Co.*, 385 P.3d 1053 (Or. 2016) (holding insurer owed a duty to defend additional insured general contractor for its subcontractor's work without addressing the definition of "occurrence"); *PIH Beaverton LLC v. Red Shield Ins. Co.*, 289 Or. App. 788, 801 (Or. 2018) (same).	
Pennsylvania	**<u>Generally</u>:** *Kvaerner Metals Div. of Kvaerner U.S., Inc. v. Commercial Union Ins. Co.*, 908 A.2d 888, 900 (Pa. 2006) (finding the term "occurrence" or "accident" means "'[a]n unexpected and undesirable event,' or 'something that occurs unexpectedly or unintentionally'" and implies a "degree of fortuity"). **<u>Faulty Workmanship</u>:** *Kvaerner Metals Div. of Kvaerner U.S., Inc. v. Commercial Union Ins. Co.*, 908 A.2d 888, 900 (Pa. 2006) ("the definition of 'accident' required to establish an 'occurrence' under the policies cannot be satisfied by claims based upon faulty workmanship"); *Specialty Surfaces Int'l, Inc. v. Continental Cas. Co.*, 609 F.3d 223 (3d Cir. 2010) (Pennsylvania law) (holding damage to subgrade installed by another contractor caused by the insured's allegedly defective synthetic turf and subdrain system was foreseeable and, thus, not an "occurrence"); *Indatex, Inc. v. Nat'l Union Fire Ins. Co. of*	**<u>Physical Injury to Tangible Property</u>:** *Kline v. Kemper Group*, 826 F. Supp. 123 (M.D. Pa. July 6, 1993) (finding damage for back pay and loss of employment opportunities does not constitute "property damage"). **<u>Loss of Use</u>:** *USX Corp. v. Adriatic Insurance Co.*, 99 F. Supp. 2d 593, 617 (W.D. Pa. 2000) (finding for coverage to be triggered the claimed "loss of use" must be causally related to damage to tangible property); *Everest Indem. Ins. Co. v. Valley Forge, Inc.*, 140 F. Supp. 3d 421, 428 (E.D. Pa. 2015) (finding there must be "loss of use" of a specific property in order to implicate definition of "property damage"; a public nuisance that affects the enjoyment of property is not necessarily "property damage"). **<u>Resulting Property Damage:</u>** *Indalex Inc. v. Nat'l Union Fire Ins. Co. of Pittsburgh, PA*, 83 A.3d 418 (Pa. Super. Ct. 2013) (finding coverage where the insured's allegedly defective windows and doors resulted in water leakage that caused physical damage,

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Pennsylvania	*Pittsburgh, PA*, 83 A.3d 418 (Pa. Super. 2013) (holding allegation that the insured's product actively malfunctioned and caused damage to other property constituted an "occurrence"). **<u>Subcontractor's Faulty Workmanship</u>:** *Millers Capital Ins. Co. v. Gambone Bros. Dev. Co.*, 941 A.2d 706, 713 (Pa. Super. Ct 2007) (holding allegations that the insured and its subcontractors performed faulty workmanship resulting in water damage was not an "occurrence"); *Zurich Am. Ins. Co. v. R.M. Shoemaker Co.*, 519 Fed. Appx. 90 (3d Cir. 2013) (Pennsylvania law) (finding "[f]aulty workmanship—whether caused by the contractor's negligence alone or by the contractor's negligent supervision, which then permitted the willful misconduct of its subcontractors" is not an "occurrence").	such as mold and cracked walls, in addition to personal injury).
Rhode Island	**<u>Generally</u>:** *Med. Malpractice Joint Underwriting Ass'n of Rhode Island v. Charlesgate Nursing Ctr., L.P.*, 115 A.3d 998, 1005 (R.I. 2015) ("[t]he plain and ordinary meaning of the term 'accident' as 'an unintended and unforeseen injurious occurrence' from the perspective of the insureds"). **<u>Faulty Workmanship</u>:** *Furey Roofing & Constr. Co., Inc. v. Employers Mutual Cas. Co.*, 2010 WL 422253 (R.I. Super. Ct. Feb. 1, 2010) (holding claim against insured roofing contractor for damage to building resulting from roof leaks arose from an "occurrence"); *Aetna Cas. & Sur. Co. v. Consulting Environmental Engineers, Inc.*, 1989 WL 1110231 (R.I. Super. Ct. 1989) (holding claim against insured engineer for unexpected settling allegedly caused by improper grading specifications arose out of an "occurrence").	**<u>Physical Injury to Tangible Property</u>:** *Allstate Ins. Co. v. Russo*, 829 F. Supp. 24, 27 (D.R.I. July 30, 1993) ("[t]he general rule is that loss of investment is purely economic loss and not injury to or destruction of tangible property"); *Aetna Cas. and Sur. Co. v. Consulting Environmental Engineers, Inc.*, 1989 WL 1110231 (R.I. Super. Ct. 1989) (finding "the introduction of [ ] defective components into the entire project may well have constituted physical injury to the entire project"). **<u>Loss of Use</u>:** *Aetna Cas. and Sur. Co. v. Consulting Environmental Engineers, Inc.*, 1989 WL 1110231 (R.I. Super. Ct. 1989) (finding the introduction of defective components into a project may constitute loss of use of tangible property). **<u>Resulting Property Damage</u>:** *Furey Roofing & Constr. Co., Inc. v. Employers Mutual Cas. Co.*, 2010 WL 422253 (R.I. Super. Ct. Feb. 1, 2010) (identifying "property damage" alleged against insured roofing contractor as including damage to property caused by

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Rhode Island		roof leaks, repair the roof installed by the insured and repair work performed by other contractors to the extent necessary to repair the insured's work).
South Carolina	**<u>Generally</u>:** S.C. Ann. § 38-61-70(B) ("[c]ommercial general liability insurance policies shall contain or be deemed to contain a definition of 'occurrence' that includes: (1) an accident, including continuous or repeated exposure to substantially the same general harmful conditions; and (2) property including continuous or repeated exposure to substantially the same general harmful conditions; and (2) property damage or bodily injury resulting from faulty workmanship, exclusive of the faulty workmanship itself"). **<u>Faulty Workmanship</u>:** *Crossmann Cmtys. of N.C. Inc. v. Harleysville Mut. Ins. Co.*, 717 S.E.2d 589, 594 (S.C. 2011) (finding the "definition of 'occurrence' is ambiguous and must be construed in favor of the insured," noting that "various exclusions may preclude coverage in some instances," and finding the definition of "property damage" does not include repair and replacement of the insured's own work); *L-J, Inc. v. Bituminous Fire & Marine Ins. Co.*, 621 S.E.2d 33, 36 (S.C. 2005) ("faulty workmanship is not something that is typically caused by an accident or by exposure to the same general harmful condition"). **<u>Subcontractor's Faulty Workmanship</u>:** *Crossmann Cmtys. of N.C. Inc. v. Harleysville Mut. Ins. Co.*, 717 S.E.2d 589, 594 (S.C. 2011) (holding that a CGL policy provided coverage for damage to a contractor's non-defective work caused by a subcontractor's faulty work).	**<u>Physical Injury to Tangible Property</u>:** *Crossmann Cmtys. of N.C. Inc. v. Harleysville Mut. Ins. Co.*, 717 S.E.2d 589, 594 (S.C. 2011) ("the critical phrase is 'physical injury,' which suggests the property was not defective at the outset, but rather was initially proper and injured thereafter"); *Jefferson-Pilot Fire v. Sunbelt Beer*, 839 F. Supp. 376 (D.S.C. 1993) ("damages for loss of earnings, loss of benefits, loss of earning capacity, [and] loss of reputation" did not qualify as "property damage"). **<u>Resulting Property Damage</u>:** *Crossmann Cmtys. of N.C. Inc. v. Harleysville Mut. Ins. Co.*, 717 S.E.2d 589, 594 (S.C. 2011) (emphasizing the "difference between a claim for the costs of repairing or removing defective work, which is not a claim for `property damage,' and a claim for the costs of repairing damage caused by the defective work, which is a claim for `property damage'"); *Auto-Owners Ins. Co. v. Rhodes,* 748 S.E.2d 781 (S.C. 2013) (holding where insured's sign fell, which necessitated the removal of other signs, "the loss of the remaining two signs and the consequential damages flowing therefrom causally linked to the sign that fell and, thus, constituted property damage caused by an occurrence under the policy"). **<u>Rip and Tear Costs or Incorporation of Defective Component</u>:** *Crossmann Cmtys. of N.C. Inc. v. Harleysville Mut. Ins. Co.*, 717 S.E.2d 589, 594 (S.C. 2011) (holding incorporation of defective component into other property is not "property damage"); *Builders Mut. Ins. Co. v. Lacey Constr. Co., Inc.*, 2012 WL 1032539 (D.S.C. Mar. 27. 2012) (holding where the insured allegedly constructed a defective retaining wall, there was no coverage for "the cost to repair either retaining wall or any incidental costs including for removal or replacement of soil, patios, fences or other property which must be moved in order to make the repairs").

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South Dakota	**Generally:** *Owners Ins. Co. v. Tibke Constr., Inc.*, 901 N.W.2d 80, 82–84 (S.D. 2017) ("[i]n determining whether an event is an accident, we assess the event 'according to the quality of the result rather than the quality of the causes'… '[A] deliberate act, performed negligently, is an accident if the effect is not the intended or expected result; that is, the result would have been different had the deliberate act been performed correctly'"). **Faulty Workmanship:** *Owners Ins. Co. v. Tibke Constr., Inc.*, 901 N.W.2d 80, 82-84 (S.D. 2017) (holding insured's liability for failure to properly test soil was an "occurrence" and finding "if inadvertent faulty workmanship causes unexpected injuries to people or property, it may constitute an accident and thus an occurrence"); *Haugan et al. v. Home Indemnity Co.*, 197 N.W.2d 18 (S.D. 1972) ("[w]hen the insured's work or product actively malfunctions and causes damage to other property[,] coverage is afforded"). **Subcontractor's Faulty Workmanship:** *Corner Constr. Co. v. United States Fid. & Guar. Co.*, 638 N.W.2d 887 (S.D. 2002) (holding "there was an accident or unintended event, resulting in property damage that was neither expected nor intended by the insured" where the named insured's "own work" was damaged as a result of a subcontractor's defective work).	**Loss of Use:** *SLA Property Management v. Angelina Cas. Co.* 856 F.2d 69 (8th Cir. 1988) (South Dakota law) ("[b]oth insurance contracts require, as a predicate for recovery, either physically injured tangible property or the loss of use of tangible property… The losses claimed by appellants, however, are the result of excess costs, fees, and lost profits as a result of AAA's breach, as well as loss of profits due to the unavailability of the railroad lines…Accordingly, we agree with the district court that the losses claimed are not physical, tangible property damages but rather, are intangible consequential damages and thus not within the scope of coverage under the policy of either insurance company").
Tennessee	**Generally:** *Travelers Indem. Co. of America v. Moore & Associates, Inc.*, 216 S.W.3d 302 (Tenn. 2007) (finding an "occurrence" or "accident" means "an unforeseen or unexpected event" or "an event that was not foreseeable" to the insured).	**Physical Injury to Tangible Property:** *Travelers Indem. Co. of America v. Moore & Associates, Inc.* 216 S.W.3d 302 (Tenn. 2007) ("[w]e do not think that the mere inclusion of a defective component, where no physical harm to the other parts results therefrom, constitutes 'property damage' within the meaning of the policy").

STATE	Is Faulty Workmanship An Occurrence?	Does Faulty Workmanship Result in Property Damage?
Tennessee	**Faulty Workmanship:** *Travelers Indem. Co. of America v. Moore & Associates, Inc.* 216 S.W.3d 302 (Tenn. 2007) (holding a claim against a homebuilder for damage "water penetration resulting from faulty window installation" by a subcontractor was an "occurrence"); *Vernon Williams & Son Constr., Inc. v. Cont'l Ins. Co.*, 591 S.W.2d 760, 765 (Tenn. 1979) (finding a CGL policy "does not provide coverage to an insured-contractor for a breach of contract action grounded upon faulty workmanship or materials, where the damages claimed are the cost of correcting the work itself"). **Subcontractor's Faulty Workmanship:** *Travelers Indem. Co. of America v. Moore & Associates, Inc.* 216 S.W.3d 302 (Tenn. 2007) (holding damage resulting from the faulty workmanship of an insured's subcontractor constitutes "property damage" caused by an "occurrence").	**Resulting Property Damage:** *Travelers Indem. Co. of America v. Moore & Associates, Inc.* 216 S.W.3d 302 (Tenn. 2007) ("[b]ecause the alleged defective installation resulted in water penetration causing further damage, [the claimant] has alleged 'property damage.' Therefore, we conclude that [the claimant] has alleged damages that constitute 'property damage'"); *Forrest Constr., Inc. v. Cincinnati Ins. Co.*, 703 F.3d 359 (6th Cir. 2013) (Tennessee law) (finding "property damage" because "one component (here, the faulty foundation) of a finished product (the house) damages another component" and the claim was not limited to "replacement of a defective component or correction of faulty installation"); *New Hampshire Ins. Co. v. Knoxville Cast Stone, Inc.*, 433 F. Supp. 2d 879 (E.D. Tenn. 2004) (holding water penetration resulting from manufacturer's failure to waterproof its concrete blocks in manner promised and resulted in water, mold, and mildew damage to walls, carpet, vinyl, and wall covering constituted "property damage"). **Rip and Tear Costs or Incorporation of Defective Component:** *Forrest Constr., Inc. v. Cincinnati Ins. Co.*, 703 F.3d 359 (6th Cir. 2013) (Tennessee law) (finding installation of a defective component, such as installing a window that turns out to be defective, or negligent workmanship that results in a faulty foundation does not, standing alone, constitute "property damage" unless that defective component or negligent workmanship results in physical injury to some other tangible property).
Texas	**Occurrence Generally:** *Lamar Homes, Inc. v. Mid-Continent Cas. Co.*, 242 S.W. 3d 1, 9 (Tex. 2007) ("[a] claim does not involve an accident or occurrence when either direct allegations purport that the insured intended the injury (which is presumed in cases of intentional tort) or circumstances confirm that the resulting damage was the natural and expected result of the insured's actions, that is, was highly probable whether the insured was negligent or not"); *Gehan*	**Physical Injury to Tangible Property:** *U.S. Metals, Inc. v. Liberty Mut. Grp., Inc.*, 490 S.W.3d 20, 27–28 (Tex. 2015) (finding "physical injury requires tangible, manifest harm and does not result merely upon the installation of a defective component in a product or system" because "faulty workmanship that merely diminishes the value of the home without causing physical injury or loss of use does not involve 'property damage,'" and third party property may be damaged in the process of replacing a faulty product); *American Home Assurance Co. v. Oceaneering*

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Texas	*Homes, Ltd. v. Employers Mut. Cas. Co.*,146 S.W.3d 833 (Tex. Ct. App. 2004) (noting both the actor's intent and the reasonably foreseeable effect of his conduct bear on the determination of whether an "occurrence" is accidental so to trigger a duty to defend under a CGL insurance policy). **<u>Faulty Workmanship</u>:** *Pine Oak Builders, Inc. v. Great American Lloyds Ins. Co.*, 279 S.W.3d 650 (Tex. 2009) (noting *Lamer Homes* held "a claim of faulty workmanship against a homebuilder was a claim for property damage caused by an occurrence"); *Lamar Homes, Inc. v. Mid-Continent Cas. Co.*, 242 S.W. 3d 1, 9 (Tex. 2007) ("claims for damage caused by an insured's defective performance or faulty workmanship" may constitute an "occurrence" when "property damage" results from the "unexpected, unforeseen or undesigned happening or consequence" of the insured's negligent behavior"); *Stone Creek Custom Homes, LP v. Mid-Continent Cas. Co.*, 2015 WL 11705277, at *3–4 (W.D. Tex. July 7, 2015) (finding water damage was the natural and expected result of failure to properly roof and waterproof a house). **<u>Subcontractor's Faulty Workmanship</u>:** *Lamar Homes, Inc. v. Mid-Continent Cas. Co.*, 242 S.W. 3d 1, 9 (Tex. 2007) (holding damage to an insured's work caused by the defective work of a subcontractor may constitute "property damage" caused by an "occurrence").	*Int'l, Inc.*, 609 Fed. Appx. 171 (5th Cir. 2015) (Texas law) (holding insured's installation of defective component (bolt) was not "property damage" where there was no indication the bolt damaged other property). **<u>Resulting Property Damage</u>:** *Charlton v. Evanston Ins. Co.,* 502 F. Supp. 2d 553, 560 (W.D. Tex.2007) ("[i]f the factual allegations read as a contractual breach for construction defects requiring repair or replacement instead of negligence resulting in property damage, the resulting damage for economic loss does not fall within the coverage of the insurance policy"). **<u>Rip and Tear Costs or Incorporation of Defective Component</u>:** *U.S. Metals, Inc. v. Liberty Mut. Grp., Inc.*, 490 S.W.3d 20, 27–28 (Tex. 2015) (holding that while the incorporation of a defective product into other non-defective property is not "property damage," damage to non-defective property in the process of replacing the insured's defective product constitutes "property damage").
Utah	**<u>Occurrence Generally</u>:** *Cincinnati Ins. Co. v. AMSCO Windows*, 593 Fed. Appx. 802, 804 (10th Cir. 2014) (Utah law) ("the test for determining whether an event was an 'occurrence' … is not whether the result was "foreseeable," … but rather whether it was 'intended' or	**<u>Physical Injury to Tangible Property</u>:** *H.E. Davis & Sons, Inc. v. North Pacific Ins. Co.*, 248 F. Supp. 2d 1079, 108–85 (D. Utah Aug. 20, 2002) (finding costs to repair and replace the insured's own work product is not "physical injury" or "property damage").

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Utah	'expected'" unless the resulting damage is designed or intended by the insured or the "natural and probable consequence of the insured's act or should have been expected by the insured"). **Faulty Workmanship:** *Cincinnati Ins. Co. v. AMSCO Windows*, 593 Fed. Appx. 802 (10th Cir. 2014) (Utah law) ("where defective workmanship causes damage to property other than the work product itself … such damage results from an accidental 'occurrence'"); *Cincinnati Ins. Co. v. Linford Bros. Glass Co.,* 2010 WL 520490 (D. Utah Feb. 9, 2010) ("[b]ecause the reasonably foreseeable consequences of negligently manufacturing windows and doors include damage to the property in which the defective products are installed, there can be no 'occurrence'"); *H.E. Davis & Sons, Inc. v. North Pacific Insurance Co.*, 248 F. Supp. 2d 1079 (D. Utah Aug. 20, 2002) ("[s]o long as the consequences of plaintiff's work were natural, expected, or intended, they cannot be considered an 'accident'"). **Subcontractor's Faulty Workmanship:** *Auto-Owners Ins. Co. v. Fleming*, 701 Fed. Appx. 738, 741–43 (10th Cir. 2017) (Utah law) (finding damage caused by an insured's subcontractor's negligence may qualify as an "occurrence"); *Great American Ins. Co. v. Woodside Homes Corp.*, 448 F. Supp. 2d 1275, 1283 (D. Utah 2006) ("[t]he better-reasoned approach, and the approach that is most consistent with Utah law, views faulty subcontractor work as an occurrence from the standpoint of the insured"); *Cincinnati Ins. Co. v. Spectrum Dev. Corp.*, 2015 WL 730020 (D. Utah Feb. 19, 2015) ("because subcontractors are contractually required to correctly perform their own work regardless of the type of supervision they receive, their negligent acts are neither something that is to be expected nor the natural and probable consequences of the way they are supervised").	**Loss of Use:** *Nova Casualty Co. v. Able Construction, Inc.*, 983 P.2d 575 (Utah 1999) (finding there is no "property damage" where there is no complete loss of the use of the property; and damages resulting from a loss of business are economic losses and not covered "property damage"); *Mullin v. Travelers Indem. Co.,* 541 F.3d 1219 (10th Cir. 2008) (Utah law) (finding that there was no "property damage" within the meaning of the policy from the loss of contractually secured rental dollars, because the "money" not forwarded to the Mullins was not tangible property, but that the loss of personal property which was stolen from the Plaintiff's condominium fell under the Policy's definition of 'property damage,' because it constitutes a '[l]oss of use of tangible property that is not physically injured'"). **Resulting Property Damage:** *Cincinnati Ins. Co. v. AMSCO Windows*, 593 Fed. Appx. 802, 804 (10th Cir. 2014) (Utah law) (holding while damages arising from a landowner's may not be an "occurrence," negligent manufacture of windows resulting in water damage may constitute an "occurrence" because a "manufacturer who negligently produces a defective window may not have expected his process to result in property damage"); *Auto-Owners Ins. Co. v. Fleming*, 701 Fed. Appx. 738, 741–43 (10th Cir. 2017) (Utah law) ("the natural results of an insured's negligent and unworkmanlike construction do not constitute an occurrence triggering coverage under a CGL policy. Two exceptions to this general rule might exist where defective workmanship causes damage to property other than the work product itself, or where damage is caused by "the negligent acts of [the insured's] subcontractors"). **Rip and Tear Costs or Incorporation of Defective Component:** *H.E. Davis & Sons, Inc. v. North Pacific Ins. Co.*, 248 F. Supp. 2d 1079, 108–85 (D. Utah 2002) (holding that concrete footings that had to be removed and replaced but were not "damaged" as a result of insured's faulty soil compaction at construction site did not constitute "property damage").

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Vermont	**Occurrence Generally:** *Commercial Union Ins. Co. v. City of Montpelier*, 353 A.2d 344, 346 (Vt. 1976) (finding an “accident or unexpected event” is defined as an “unexpected happening without intention or design.”). **Faulty Workmanship:** *Garneau v. Curtis & Bedell, Inc.*, 610 A.2d 132, 134-35 (Vt. 1992) (holding claims that the insured negligently sited a house fell within a work product exclusion despite that the claim was “based on a tort rather than contract theory”).	**Physical Injury to Tangible Property:** *City of Burlington v. Association of Gas & Elec. Ins. Services, Ltd.*, 751 A.2d 284 (Vt. 2000) (finding that “[p]urely economic losses, such as lost profits, are generally not recoverable under insurance provisions providing coverage for the loss of use of tangible property,” but that “[t]here may be an exception to this general rule when an occurrence causes the loss of use of tangible property, and the loss of use, in turn, then causes economic losses such as lost profits”); *Down Under Masonry, Inc. v. Peerless Ins. Co.*, 950 A.2d 1213 (Vt. 2008) (holding allegations that shingles were “inferior in quality and different in color from those specified in the original contract” did not constitute “property damage”). **Loss of Use:** *City of Burlington v. Association of Gas & Elec. Ins. Services, Ltd.*, 751 A.2d 284 (Vt. 2000) (finding wood chip seller’s loss of real and personal property through repossession and foreclosure after buyer allegedly breached contract by refusing additional deliveries was not “property damage” within the meaning of a liability and losses were economic).
Virginia	**Occurrence Generally:** *Harris v. Bankers Life & Cas. Co.*, 278 S.E. 2d 809, 810 (Va. 1981) (holding an occurrence is “an event that takes place without one’s foresight or expectation, an un-designed, sudden ... event). **Faulty Workmanship:** *Hotel Roanoke Conference Ctr. Comm’n v. Cincinnati Ins. Co.*, 303 F. Supp. 2d. 784 (W.D. Va. 2004) (“[d]amages resulting from the insured’s defective performance of a contract and limited to the insured’s work or product is not covered by a commercial general liability policy because it is ‘expected’ from the standpoint of the insured”); *Stanley Martin Cos. v. Ohio Cas. Group*, 313 Fed. Appx.	**Physical Injury to Tangible Property:** *America Online, Inc. v. St. Paul Mercury Ins. Co.*, 347 F.3d 89, 94-95 (4th Cir. 2003) (Virginia law) (finding tangible property means “‘capable of being touched: able to be perceived as materially existent esp. by the sense of touch: palpable, tactile’” and “‘having physical substance apparent to the senses’”). **Resulting Property Damage:** *Nautilus Ins. Co. v. Strongwell Corp.*, 968 F. Supp. 2d 807 (W.D. Va. 2013) (“[w]hen an insured defectively performs a contract and the defective performance only damages the insured’s work or product, the resulting contractual liability is expected for purposes of a commercial general liability

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Virginia	609 (4th Cir. 2009) (Virginia law) (finding damage a subcontractor's defective work causes to an insured's nondefective work is an "occurrence"); *Nationwide Mut. Ins. Co. v. Wenger*, 278 S.E.2d 874 (Va. 1981) ("[w]hen the completed operation of the insured causes injury to a person or damage to property, the policy applies, unless the injury is to the completed operation itself"). **<u>Subcontractor's Faulty Workmanship</u>:** *Stanley Martin Cos. v. Ohio Cas. Group*, 313 Fed. Appx. 609 (4th Cir. 2009) (Virginia law) (holding an insured general contractor was entitled to coverage for damage to non-defective portions of the work caused by a subcontractor's defective work).	insurance policy and therefore excluded from coverage…. On the other hand, if a subcontractor's faulty workmanship results in damage to property other than the subcontractor's work product, there may be an 'occurrence' triggering coverage under the policy"); *Morrow Corp. v. Harleysville Mut. Ins. Co.*, 110 F. Supp. 2d 441 (E.D. Va. 2000) (finding the duty to defend arises whenever complaint against insured alleges facts and circumstances, some of which would, if proved, fall within the risk covered by the policy).
Washington	**<u>Faulty Workmanship</u>:** *Yakima Cement Products Co. v. Great Am. Ins. Co.*, 608 P.2d 254 (Wash. 1980) (holding insured's "negligent and defective manufacture of concrete panels necessitating their removal, refabrication, and repair constitutes an 'accident' and thus an 'occurrence'" and noting Washington courts have found the installation of defective doors, use of the wrong type of seed, and failure to properly complete a sprinkler system may arise from an "occurrence"); *Mid-Continent Cas. v. Titan Constr. Corp.*, 281 Fed. Appx. 766 (9th Cir. 2008) (Washington law) (holding claims against the insured for breach of contract and warranty arising out of the insured's negligent construction of a condominium project constituted an "occurrence"); *Big Constr., Inc. v. Gemini Ins. Co.*, 2012 WL 1858723 (W.D. Wash. May 22, 2012) (holding "pure workmanship" defects did not constitute an "occurrence").	**<u>Physical Injury to Tangible Property</u>:** *Diamaco, Inc. v. Aetna Cas. & Sur.*, 983 P.2d 707 (Wash. Ct. App. 1999) (finding whether an "occurrence" has taken place in the first instance is determined without consideration of whether the damage was to the insured's own property or to that of a third party); *Mutual of Enumclaw Ins. Co. v. T & G Constr., Inc.,* 199 P.3d 376, 384 (Wash. 2008) (finding damage caused by the defective siding to the subsurface and interior walls, installed not by the insured but by others, was property damage covered by the policy; thus, removal and reinstallation of the siding to repair damage to the walls was within the scope of property damage); *Big Constr., Inc. v. Gemini Ins. Co.*, 2012 WL 1858723 (W.D. Wash. May 22, 2012) ("[t]here is no coverage for repairing or replacing an insured's defective work. For faulty workmanship to give rise to property damage there must be property damage separate from the defective product itself"). **<u>Resulting Property Damage</u>:** *Aetna Cas. and Sur. Co. v. M & S Industries, Inc.*, 827 P.2d 321 (Wash. Ct. App. 1992) ("[i]f the property damage is confined to the insured's defective product itself, a comprehensive general liability policy provides no

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Washington		coverage…On the other hand, coverage is present where the defective product causes damage to another person's tangible property… and the coverage also extends to consequential damages resulting directly from such injury"); *Truck Ins. Exchange v. Vanport Homes, Inc.*, 58 P.3d 276 (Wash. 2002) (finding "[p]roperty damage does not include defective work performed by the insured" because such damages are foreseeable and therefore cannot constitute an "occurrence"). **Rip and Tear Costs or Incorporation of Defective Component:** *Dewitt Construction Co. v. Charter Oak Fire Ins. Co.*, 307 F.3d 1127 (9th Cir. 2002) (Washington law) (holding damage to the work of other subcontractors that "had to be removed and destroyed as a result of" the insured's defective work constituted "property damage"); *Indian Harbor Ins. Co. v. Transform, LLC*, 2010 WL 3584412 (W.D. Wash. Sept. 8, 2010) (holding "rip and tear" damage constituted "third party damages" and "property damage" caused by an "occurrence").
West Virginia	**Occurrence Generally:** *State ex rel. Nationwide Mut. Ins. Co. v. Wilson*, 778 S.E.2d 677, 682–84 (W. Va. 2015) ("[a]n accident is never present when a deliberate act is performed unless some additional unexpected, independent and unforeseen happening occurs which produces the damage"); *Cherrington v. Erie Ins. Prop. & Cas. Co.*, 745 S.E.2d 508, 519 (W. Va. 2013) ("[i]n determining whether under a liability insurance policy an occurrence was or was not an 'accident'—or was or was not deliberate, intentional, expected, desired, or foreseen—primary consideration, relevance, and weight should ordinarily be given to the perspective or standpoint of the insured whose coverage under the policy is at issue"). **Faulty Workmanship:** *Cherrington v. Erie Ins. Prop. & Cas. Co.*, 745 S.E.2d 508, 521 (W.	**Physical Injury to Tangible Property:** *Community Antenna Servs., Inc. v. Westfield Ins. Co.*, 173 F. Supp. 2d 505 (S.D. W. Va. Nov. 21, 2001) ("[p]roperty is either tangible or intangible. Tangible property is 'necessarily corporeal,' in contrast to incorporeal property, which comprises legal rights merely, theoretical entities, such as the mind alone can perceive…These cable signal characteristics are attributes of tangible and corporeal property rather than intangible, incorporeal, or theoretical entities"); *Erie Ins. Property and Cas. Co. v. Smith*, 2006 WL 3733319 (S.D. W. Va. Dec. 15, 2006) (finding "allegations of intentional misrepresentation during the sale of a condominium" did not involve physical injury to tangible property).

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West Virginia	Va. 2013) (finding "[d]efective workmanship causing bodily injury or property damage is an 'occurrence' under a policy of commercial general liability insurance" and reasoning the alleged defective work by the insured's subcontractors are not "deliberate, intentional, expected, desired or foreseen"); *Westfield Ins. Co. v. Davis*, 232 F. Supp. 3d 918 (S.D. W. Va. Feb. 7, 2017) (holding an intentional act performed based on a mistaken belief, the harvesting of trees based on the mistaken belief that they were on a customer's property, is not an "occurrence" at least where the claimant demanded the insured not harvest the trees).	
Wisconsin	**<u>Occurrence Generally</u>:** *American Family Mut. Ins. Co. v. American Girl, Inc.*, 673 N.W.2d 65 (Wis. 2004) ("[t]he word 'accident,' in accident policies, means an event which takes place without one's foresight or expectation. A result, though unexpected, is not an accident; the means or cause must be accidental"); *Jacob v. Russo Builders*, 592 N.W.2d 271 (Wis. Ct. App. 1999) (finding a CGL policy's sole purpose is to cover the risk that the insured's goods, products, or work will cause bodily injury or damage to property other than the product or the completed work of the insured). **<u>Faulty Workmanship</u>:** *American Family Mut. Ins. Co. v. American Girl, Inc.*, 673 N.W.2d 65 (Wis. 2004) (holding claims for breach of contract and warranty against a homebuilder arose from an "occurrence"); *Glendenning's Limestone & Ready-Mix Co. v. Reimer*, 721 N.W.2d 704 (Wis. Ct. App. 2006) (interpreting *American Girl* "to mean that faulty workmanship may cause, or be a cause of, an "occurrence," such as the leaking of windows or the settling of soil under a building;	**<u>Physical Injury to Tangible Property</u>:** *American Family Mut. Ins. Co. v. American Girl, Inc.*, 673 N.W.2d 65 (Wis. 2004) (finding "sinking, buckling, and cracking of the warehouse was plainly physical injury to tangible property'… and damage to the warehouse was caused by substantial soil settlement underneath the completed building, which occurred because of the faulty site-preparation advice of the soil engineering subcontractor" constituted "property damage"). **<u>Resulting Property Damage</u>:** *Acuity v. Society Ins.*, 810 N.W.2d 812 (Wis. Ct. App. 2012) ("while faulty workmanship is not an 'occurrence,' …. Faulty workmanship may cause an unintended event… and that event – the 'occurrence' – may result in harm to other property").

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Wisconsin	we do not read it to say that faulty workmanship in itself is an 'occurrence'"). **Subcontractor's Faulty Workmanship:** *American Family Mut. Ins. Co. v. American Girl, Inc.*, 673 N.W.2d 65 (Wis. 2004) (holding claims against insured homebuilder for breach of contract and warranty arising out of the subcontractor's defective soil compaction arose out of an "occurrence").	
Wyoming	**Occurrence Generally:** *Reisig v. Union Ins. Co.*, 870 P.2d 1066 (Wyo. 1994) (finding an "accident" is "'a fortuitous circumstance, event, or happening, an event happening without any human agency, or if happening wholly or partly through human agency, an event which under the circumstances is unusual and unexpected by the person to whom it happens; an unusual, fortuitous, unexpected, unforeseen or unlooked for event, happening or occurrence; ... chance or contingency; fortune; mishap; some sudden and unexpected event taking place without expectation, upon the instant, rather than something which continues, progresses or develops…'"). **Faulty Workmanship**: *First Wyoming Bank, N.A., Jackson Hole, et al v. Continental Insurance Company*, 860 P.2d 1094 (Wyo. 1993) (finding "it is well settled that breach of contract claims cannot support a covered 'occurrence' for liability purposes and any attempt to transform a breach of contract claim into an 'occurrence' by designating a cause of action as negligence, does not trigger a duty to defend") *Employers Mut. Cas. Co. v. Bartile Roofs, Inc.*, 478 Fed. Appx. 493	**Physical Injury to Tangible Property**: *Compass Ins. Co. v. Cravens, Dargan and Co.*, 748 P.2d 724 (Wyo. 1988) (finding contamination of adjacent property resulting from an oil spill could be considered "physical injury to, and loss of use of, tangible property; i.e., property damage"). **Incorporation of Defective Product:** *Helm v. Bd. of Cty. Comm'rs*, 989 P.2d 1273, 1276 (Wyo. 1999) ("[i]t is well-recognized that the installation of a defect into a building is physical injury as defined in insurance policies").

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Wyoming	(10th Cir. 2012) (Utah and Wyoming law) (holding allegations that the insured performed negligent roofing work are not an "occurrence" because "the natural results of [an insured's] negligent and unworkmanlike construction do not constitute an occurrence triggering coverage under a [CGL] policy"); *Great Divide Ins. Co. v. Bitterroot Timberframes of Wyoming, LLC*, 2006 WL 3933078 (D. Wyo. Oct. 20, 2016) (holding the allegations that the insured's defective exterior woodwork resulted in water intrusion did not constitute an "occurrence").	

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