

**COMMERCIAL GENERAL LIABILITY COVERAGE FOR DEFECTIVE WORK  
STATE-BY-STATE SURVEY  
FEBRUARY 2008**

STATE	IS DEFECTIVE WORK AN OCCURRENCE?		PROPERTY DAMAGE EXCLUSIONS APPLIED?
	Status	Case Law	Case Law
Indiana	No	<i>Amerisure, Inc. v. Wurster Constr. Co.</i> , 818 N.E.2d 998, 1003 (Ind. App. 2004); <sup>i</sup> <i>R.N. Thompson &amp; Assoc., Inc. v. Monroe Guar. Ins. Co.</i> , 686 N.E.2d 160 (Ind. App. 1997). <sup>ii</sup>	<i>Jim Barna Log Systems Midwest, Inc. v. General Cas. Ins. Co. of Wisconsin</i> , 791 N.E.2d 816 (Ind. App. 2003); <sup>iii</sup> <i>Transcontinental Ins. Co. v. RTW Industries, Inc.</i> , 2004 WL 1638221 (S.D. Ind. June 30, 2004). <sup>iv</sup>

<sup>i</sup> **Indiana:** *Amerisure, Inc. v. Wurster Constr. Co.*, 818 N.E.2d 998, 1003 (Ind. App. 2004). Since the failure of EIFS was due to defective workmanship, it was a natural and ordinary consequence of the defective work and did not constitute an accident.

<sup>ii</sup> **Indiana:** *R.N. Thompson & Assoc., Inc. v. Monroe Guar. Ins. Co.*, 686 N.E.2d 160 (Ind. App. 1997). The cost of replacing and repairing the insured's own work was not a covered occurrence since it constituted the natural and ordinary consequence of that defective work.

<sup>iii</sup> **Indiana:** *Jim Barna Log Systems Midwest, Inc. v. General Cas. Ins. Co. of Wisconsin*, 791 N.E.2d 816 (Ind. App. 2003). The court applied the Your Product Exclusion to property damage arising out of defects in a log home sold and warranted by the builder.

<sup>iv</sup> **Indiana:** *Transcontinental Ins. Co. v. RTW Industries, Inc.*, 2004 WL 1638221 (S.D. Ind. June 30, 2004). Exclusion I, the Your Work Exclusion, and Exclusion j(6), the Faulty Workmanship Exclusion, applied to deny coverage for damage to work platforms caused by faulty welds.

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