

## MONTANA

### Construction Defect as Occurrence

*Lloyd A. Twite Family Partnership v. Unitrin Multi Line Ins.*, 192 P.3d 1156 (Mont. 2008). Failure of insured contractor to comply with federal and state requirements for design and construction of housing projects was not an accident that met the definition of occurrence under the CGL policy.

*Blair v. Mid-Continent Casualty Co.*, 167 P.3d 888 (Mont. 2007). The insured's deliberate removal of gravel was not an "occurrence" under his liability policy since the intentional excavation was not accidental, regardless of whether the resulting damage claimed by his neighbors was intended or not.

*Portal Pipe Line Co. v. Stonewall Ins. Co.*, 845 P.2d 746 (Mont. 1993). The term "occurrence" is broader than "accident," and the intent of the CGL policy is to insure acts or omissions of the insured, including intentional acts, excluding only those in which the resulting injury is either expected or intended from the standpoint of the insured.

*Lindsay Drilling & Contracting v. U.S. Fid. & Guar. Co.*, 676 P.2d 203 (Mont. 1984). The allegations against the insured drilling company, that it negligently allowed bystanders to tamper with core samples, constituted an occurrence since the damages were neither expected nor intended from the standpoint of the insured.

### Application of Property Damage Exclusions

*Lindsay Drilling & Contracting v. U.S. Fid. & Guar. Co.*, 676 P.2d 203 (Mont. 1984). The 1973 Products Exclusion and BFPDE Operations Exclusion did not apply to an action against an insured drilling company, alleging that it negligently allowed bystanders to tamper with core samples, since the damage did not arise out of the core samples themselves, and because the samples were contaminated by third parties and not by the insured during its operations.

*Stillwater Condominium Ass'n v. American Home Assur. Co.*, 508 F. Supp. 1075 (D. Mont. 1981). The 1973 Products and Work Performed Exclusions, unmodified by a BFPDE, applied to a claim against the insured land developers in an action brought by homeowners for faulty workmanship on the condominiums which they owned.