

**COMMERCIAL GENERAL LIABILITY COVERAGE FOR DEFECTIVE WORK  
STATE-BY-STATE SURVEY  
MARCH 15, 2007**

STATE	IS DEFECTIVE WORK AN OCCURRENCE?		PROPERTY DAMAGE EXCLUSIONS APPLIED?
	Status	Case Law	Case Law
<b>Rhode Island</b>	Unclear	<i>Aetna Cas. &amp; Sur. Co. v. Consulting Environmental Engineers, Inc.</i> , 1989 WL 1110231 (R.I. Super. Ct. 1989). <sup>i</sup>	<i>Shelby Ins. Co. v. Northeast Structures, Inc.</i> , 767 A.2d 75 (R.I. 2001); <sup>ii</sup> <i>Employer's Mut. Cas. Co. v. Pires</i> , 723 A.2d 295 (R.I. 1999); <sup>iii</sup> <i>General Accident Ins. Co. of Am. v. Am. Nat'l Fireproofing, Inc.</i> , 716 A.2d 751 (R.I. 1998). <sup>iv</sup>

<sup>i</sup> **Rhode Island:** *Aetna Cas. & Sur. Co. v. Consulting Environmental Engineers, Inc.*, 1989 WL 1110231 (R.I. Super. Ct. 1989). The damage to piping in manholes constituted an occurrence under the contractor's policy.

<sup>ii</sup> **Rhode Island:** *Shelby Ins. Co. v. Northeast Structures, Inc.*, 767 A.2d 75 (R.I. 2001). Exclusion j, the Faulty Workmanship/Operations Exclusion, applies to deny a claim for damage to an arena that collapsed during construction; the bracing could not be separated from the rest of the building in the court's expansive reading of the "particular part".

<sup>iii</sup> **Rhode Island:** *Employer's Mut. Cas. Co. v. Pires*, 723 A.2d 295 (R.I. 1999). Exclusion j, the Faulty Workmanship/Operations Exclusion, applied to deny coverage to a contractor for damage to window panes while painting window frames.

<sup>iv</sup> **Rhode Island:** *General Accident Ins. Co. of Am. v. Am. Nat'l Fireproofing, Inc.*, 716 A.2d 751 (R.I. 1998). Exclusion j(6), the Faulty Workmanship Exclusion, was broadly applied by the court to deny coverage for costs of restoration, repair, or replacement of property necessitated by the insured's faulty workmanship. The "particular part" was not limited to replacement of the insured's work product, but applied to consequential damages such as the cost to tear down buildings in order to replace the fireproofing materials installed by the insured).