

**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 |
| South Dakota | Yes | <i>Corner Constr. Co. v. U.S. Fid. & Guar. Co.</i> , 638 N.W.2d 887 (S.D. 2002). ⁱ | <i>Corner Constr. Co. v. U.S. Fid. & Guar.</i> , 638 N.W.2d 887 (S.D. 2002). ⁱⁱ |

ⁱ **South Dakota:** *Corner Constr. Co. v. U.S. Fid. & Guar. Co.*, 638 N.W.2d 887 (S.D. 2002). A subcontractor's failure to fill the voids between the studs with insulation and to securely attach the vapor barrier was an accident, and thus a covered occurrence.

ⁱⁱ **South Dakota:** *Corner Constr. Co. v. U.S. Fid. & Guar. Co.*, 638 N.W.2d 887 (S.D. 2002). The court applied the subcontractor exception to the BFPDE Work Performed Exclusion to preserve coverage for the property damage arising out of a subcontractor's failure to fill the voids between the studs with insulation and to securely attach the vapor barrier in a school administration building project.