

**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
Vermont	Yes	<i>Transcontinental Ins. Co. v. Engelberth Const., Inc.</i> , 2007 WL 3333465 (D. Vt. Nov. 8, 2007). ⁱ	<i>Peerless Ins. Co. v. Wells</i> , 580 A.2d 485 (Vt. 1990). ⁱⁱ

ⁱ **Vermont:** *Transcontinental Ins. Co. v. Engelberth Const., Inc.*, 2007 WL 3333465 (D. Vt. Nov. 8, 2007). The court found that the allegations in the underlying lawsuit, which contained claims for negligence, breach of contract and breach of warranties arising out of design and construction defects to a condominium project, appeared to fall within the definition of “occurrence” or “accident” to uphold coverage for the insured general contractor.

ⁱⁱ **Vermont:** *Peerless Ins. Co. v. Wells*, 580 A.2d 485 (Vt. 1990). The court applied the 1973 Work Performed Exclusion to deny coverage for property damage arising out of the insured’s own faulty soil compaction beneath the home.

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