

Recent Insurance Coverage Decisions Of Note In California

California Courts handed down some interesting decisions re insurance coverage during the fourth quarter of 2012:

[*St. Paul Mercury Insurance v. Mountain West Farm Bureau*](#) (10/25/12)

In an equitable contribution action, an insurer who had a duty to defend a general contractor named as an additional insured refused to do so after it paid into the settlement on behalf of the framing subcontractor that was its primary insured. The Court of Appeal held that the insurer had a separate and independent duty to defend the additional insured because (a) the settlement agreement did not release the insurance company from further liability, (b) the additional insured endorsement did not include language that demonstrated a limit on actual coverage, and (c) the property damage at issue occurred during the policy period.

[*Hartford Casualty v. Swift Distribution*](#) (10/29/12)

The issue in this case was “whether the ‘advertising injury’ provision of an insurance policy required the insurer to provide a defense for its insured against a claim that the insured company's advertisements disparaged another company's products.” The products resembled one another and had similar names but the advertisement at issue did not identify the other company's product or disparage it, which was crucial to coverage under the language of the advertising injury coverage. Because this was lacking, the Court of Appeal affirmed the trial court and found no duty to defend.

[*Gemini Insurance Company v. Delos Insurance Company*](#) (12/5/12)

As [previously reported](#), this case highlighted the need for a subrogation waiver between additional insureds. In the matter, a landlord was able to obtain subrogation from the insurance policy of a tenant who caused fire damage even though it was named an additional insured and there was an interinsured exclusion in the tenant's policy.

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