

Publisher’s Note

An Update has Arrived in Your Library for:

Please circulate this notice to anyone in your office who may be interested in this publication. <i>Distribution List</i>
<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>

<p>ANNOTATED COMMERCIAL GENERAL LIABILITY POLICY by Sébastien Kamayah, Marcus B. Snowden and Mark G. Lichty Release No. 2, December 2024</p>

This release updates the case law and commentary in Chapters 19 (“Ownership, Maintenance, Use . . . of Any Aircraft or Air Cushion Vehicle”), 21 (Damage to “Your Product”), 25 (Product or Work Recall: the “Sistership” Exclusion), 27 (Abuse Exclusion), 30 (Personal Injury Exclusions), and 42 (Who Is an Insured).

THOMSON REUTERS®	Customer Support
	1-416-609-3800 (Toronto & International)
	1-800-387-5164 (Toll Free Canada & U.S.)
	E-mail CustomerSupport.LegalTaxCanada@TR.com

This publisher’s note may be scanned electronically and photocopied for the purpose of circulating copies within your organization.

What's New in this Update:

- **Chapter 19 — Aircraft exclusion** — Covers a recent U.S. case discussing whether an aircraft exclusion clause in a CGL policy may render coverage illusory when the policy was issued to a policyholder that exclusively operated aircrafts in its commercial activities. The chapter also includes a new case discussing whether injury caused by a partially disassembled aircraft falls under the aircraft exclusion.
- **Chapter 21 — Damage to “Your Product”** — References recent American appellate authorities refusing to apply the exclusion to damage caused to the insured’s product by other sources, or damage caused by the insured’s product to other property.
- **Chapter 25 — Product or Work Recall — The “Sister-ship” Exclusion** — New case added, US District Court, C.D. California decision *Travelers Prop. Cas. Co. of Am. v. Allwire, Inc.*, provides a recent application of the rule that the sister-ship exclusion does not apply where the affixation of the insured’s defective product to that of a third party’s property damages that property.
- **Chapter 27 — Abuse exclusion** — New Canadian case *Crandall University v. AIG Insurance Co. of Canada* discussing the application of an abuse exclusion in a *D&O* liability policy where the tribunal had to determine the true nature of the underlying claim to decide whether the exclusion precluded coverage.
- **Chapter 30 — Personal Injury Exclusions** — New case commentaries on recent American appellate case law defining the scope of the knowledge of falsity, violation of penal statutes, known violation of another’s rights, and intellectual property exclusions, including the meaning of “broadcasting”.
- **Chapter 42 — Who is an Insured** — The recent British Columbia Supreme Court case *Deasan Holdings Ltd. v. Continental Casualty Company*, illustrates the limitations on the coverage afforded to directors, officers and stockholders as unnamed insureds. New commentary for Ontario Court of Appeal case *Scaffidi-Argentina v. Tega Homes Developments*, upholding a waiver of subrogation clause to bar a claim against additional insureds even though the additional insureds were not covered for the claim at issue, highlighting the importance of how anti-subrogation wording is drafted.

We hope this update will assist readers not only in understanding the latest judicial interpretation of CGL policy terms but the approach to assessment and where necessary litigation of coverage issues.