

## Email Alert – Landmark Property Insurance Decision – California Supreme Court Invalidates “Any” Insured Policy Exclusions

Today, in *Century-National Insurance Company v. Garcia*, a unanimous California Supreme Court declared two policy provisions that excluded coverage for property loss intentionally caused by “any” insured to be invalid as to other, innocent co-insureds. The homeowner’s policy exclusions, as worded, precluded coverage as to all insureds for loss caused by the intentional act or criminal conduct of “any insured.” At issue was whether the Garcias’ claim should be denied because of the intentional act [i.e. arson] of their resident, adult son [i.e. an insured by definition].

The Court emphasized that property insurance policies that insure against the risk of “fire” are required, by Insurance Code §2070, to be at least equivalent to and no more restrictive than that prescribed in the standard form fire insurance policy codified in Insurance Code §2071(a). Although Insurance Code §2071(a) does not contain an “intentional acts” exclusion, the Court concluded that the “intentional acts” exclusion found in Insurance Code §533 is inherently part of the standard form. Section 533 precludes coverage for the intentional acts of “the” insured. Accordingly, the homeowner’s policy exclusions that attempted to expand the effect of such conduct were invalid.

While *Garcia* appears to resolve one aspect of previously unsettled law, it does not reach or resolve other, practical and legal issues that will flow from the decision. For more detail regarding this very important decision, please click [HERE](#) to view the discussion of the case.

Sincerely,

Douglas K. Wood  
Attorney at Law  
Morris Polich & Purdy LLP  
415.984.8502  
[dwood@mpplaw.com](mailto:dwood@mpplaw.com)

-----  
MPP Insurance Law Group  
Morris Polich & Purdy LLP  
1055 West Seventh Street  
Twenty Fourth Floor  
Los Angeles, CA 90017  
Tel: 213.891.9100  
[www.mpplaw.com](http://www.mpplaw.com)

-----  
*Disclaimer: This email is designed to provide information in regard to the subject matter and is made available with the understanding that the email does not constitute the rendering of legal advice or other professional services. If legal advice is required, such services should be sought. © 2011 MPP LLP. All rights reserved.*  
-----