

Blaneys Insurance Coverage Counsel Partner Jason Mangano Successful at OSCJ

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In *Intact Insurance Company v. Multilamps Shades Co. et. al.*, heard before the Ontario Superior Court of Justice on April 9, 2014, Justice Ricchetti held that claims brought against the Respondents did not trigger Intact's policy issued to Multilamps. The plaintiff in the underlying action was seriously injured by a lathe being delivered to AIM, a company in the business of buying and selling heavy machinery including lathes. The principal of both AIM and Multilamps was the same person. However, AIM was not an insured under the Policy.

The Policy's declaration page described Multilamps' business operations as "Manufacturing and Importing of Lamp Shades." Intact's position was that the Policy does not respond because the claim did not arise out of the Multilamps operations at the Property but rather the operations of AIM. Justice Ricchetti agreed and held: "Where the insurance policy is issued and specified to be for certain business operations of the insured, whether the business operations undertaken by the insured or a third party giving rise to the claim are entirely different and unrelated to the insured or the insured operations, then the policy will not provide coverage." To suggest otherwise, would be to make the insurer's evaluation of the risk and declarations of the operations covered meaningless.

In respect of the allegations of occupier's negligence against Multilamps, Justice Ricchetti held the emphasis ought to be on "what business operations were covered by the Policy and described in the Declarations." Justice Ricchetti's decision makes reference to the *Harvey v. Leger* decision by the Ontario Divisional Court and the *Saskatchewan Government Insurance v. Patricia Hotel* decision by the Saskatchewan Court of Appeal. Several U.S. authorities were also cited as being persuasive.

According to Jason Mangano, a partner with Blaney McMurtry, and counsel for the Applicant, Intact Insurance Company, [Justice Ricchetti's decision](#) emphasizes that the declaration pages of a liability policy matter. "This decision reminds coverage counsel to focus on the nature of the operations alleged and not only on 'legal labels' such as 'occupiers liability'," says Mangano.

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- Jason Mangano

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