

Third Circuit Finds No Coverage for Insureds Accused of Concealing Evidence of a Crime

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White and Williams successfully defended an insurer client in an action brought by insureds in the U.S. District Court for the Western District of Pennsylvania seeking coverage under a homeowners liability policy for an underlying suit alleging that, by hiding a gun their son had used to commit a murder, the insureds delayed the discovery of the victim's remains and caused emotional distress to his mother. In granting the insurer's dispositive motion, the district court reasoned that: (1) the underlying complaint did not allege an accidental "occurrence" under the policy; (2) the policy's exclusions for injury arising out of intentional acts and abuse barred coverage; and (3) Pennsylvania's public policy against insuring criminal acts (here, concealing evidence of a crime) otherwise prohibited a duty to defend or indemnify.

The insureds appealed to the U.S. Court of Appeals for the Third Circuit, which affirmed on February 11, 2025. It agreed that the insureds' intentional concealment of the weapon, which would have implicated their son in the crime and led to the earlier discovery of the victim's body, was not an "accident," which Pennsylvania courts define as "the culmination of forces working without design, coordination or plan." In the alternative, the court said, the insureds waived any argument that the district court erred in holding that public policy barred coverage.

In a related matter, White and Williams also obtained a ruling, on primarily the same grounds, that the client had no duty to defend or indemnify the insured's son in a wrongful death and survival action brought by the victim's mother.

The members of the White and Williams team were Michael Kassak, Edward Koch and Paul Briganti.