

## **Gharibian v. Wawanesa General**

Year: 2025

Court: California Supreme Court

Case Number: S289700

United Policyholders in partnership with the Consumer Federation of America submitted a request for depublication letter to the California Supreme Court. This issue regarded a California Court of Appeal decision that misconstrued well-established law when it held that a homeowner's property insurance policy does not cover damage claims related to debris composed of soot and ash in and around a policyholder's home that stemmed directly from a nearby fire. That decision ran against 60 years of settled California law that a peril causes "direct physical loss or damage" for purposes of a property insurance claim when a peril changes the surface of the property causing the property to become hazardous or unusable. In issuing its decision, the Court of Appeal improperly analogized to and relied on a COVID-19 virus case in which the California Supreme Court determined that the COVID-19 virus did not cause physical loss or damage to property for the purpose of a business interruption claim.

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