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Delaware Superior Court: Insurers Have No Duty to Defend Meta in Social Media Addiction Suits

Meta, the company behind Facebook and Instagram, is embroiled in litigation over the harm its platforms allegedly cause to children. Three classes of plaintiffs – parents, school districts, and 43 states – have brought thousands of suits. The suits generally allege that Meta designed its platforms to maximize engagement by exploiting psychological vulnerabilities and embedding addictive features into the platforms. Plaintiffs also allege that Meta intentionally targeted minors with these design choices.

The suits have been consolidated in two separate actions: a multidistrict litigation in the U.S. District Court for the Northern District of California, and a Judicial Council Coordination Proceeding in the Superior Court of California for Los Angeles County.

Meta's insurers filed a declaratory judgment action in Delaware, Meta's state of incorporation, seeking a ruling that they owe no duty to defend Meta in the Social Media Litigation. The Superior Court of Delaware granted the insurers' motion.

The insurance policies provided that the duty to defend is triggered by suits seeking damages for bodily injury "caused by an Occurrence." The parties agreed that "Occurrence" is synonymous with accident, and that California law governs this interpretation.

The court found that the underlying actions exclusively alleged harm arising from deliberate conduct. The mere presence of additional negligence allegations, the court held, does not, by itself, trigger the duty to defend. Instead, the question was whether the complaints – stripped of the underlying plaintiffs' legal characterizations – allege exclusively deliberate conduct. As Meta had conceded that the plaintiffs allege its design choices were made to "maximize engagement," Meta's alleged conduct was purposeful. Underlying allegations that Meta "should have known" its design choices would cause harm did

not suggest that Meta acted by mistake; it established a foreseeable risk of harm stemming from Meta's deliberate acts.

Nor did the underlying negligence claims for failure to warn of the platforms' risk allege an accident. These allegations were inextricably intertwined with Meta's deliberate operations of its platforms. The alleged harms in the Social Media Litigation fell within the foreseeable range of outcomes from implementing a design choice intended to increase child engagement. And although the platforms hosted third-party content, that content was the functional and intended result of Meta's alleged deliberate platform architecture.

Meta also could not rely on the possibility that the underlying complaints could be amended to include allegations that triggered coverage. Under California law, a duty to defend based on potential amendments must follow from facts already pleaded in the complaint, not the introduction of entirely new facts.

The court thus granted the insurers' motion for summary judgment and held that they did not have a duty to defend Meta in the Social Media Litigation. No allegations – express, inferable, or extrinsic – supported the conclusion that Meta's conduct was accidental.

The case is *Hartford Cas. Ins. Co. v. Instagram, LLC as. Successor in Int. to Instagram*, C.A. No. N24C-11-010-SKR CCLD (Del. Super. Ct. Feb. 27, 2026).

Texas Supreme Court: "Windstorms" Include Tornadoes

A 2019 tornado damaged the Mankoffs' home. They submitted a claim under their homeowners policy. The insurer contended that a "Windstorm and Hail" deductible applied.

The deductible stated: "In the event of direct physical loss to property covered under this policy caused directly or indirectly by windstorm or hail, the Windstorm or Hail deductible listed on your Declarations is the amount of the covered loss for dwelling, other structures and contents that you will pay." The insurance policy did not define the term "windstorm."

The Mankoffs didn't think the deductible should have been applied and sued the insurer for breach of contract. The Mankoffs argued that a tornado is a peril distinct from a windstorm. The insurer, on the other hand, argued that "windstorm" is a broad term widely understood to include tornadoes.

The trial court agreed with the insurer. But the intermediate appellate court reversed, finding that the term "windstorm" could have more than one reasonable meaning and was thus ambiguous. The appellate court reasoned that "windstorm" could mean a storm with damaging winds that may or may not be accompanied by precipitation, but which does not include a tornado.

The insurer appealed. The Texas Supreme Court first looked to dictionaries for the ordinary meaning of "windstorms," and found that the definitions were "markedly consistent." They defined a "windstorm" as a storm with strong winds and little to no precipitation. And dictionaries commonly defined "tornado" as a violent and destructive movement of wind, with some expressly defining a tornado as a type of windstorm.

The Texas Supreme Court said that these definitions confirmed that the key feature of a tornado is the violent, rotating wind. The court explained that "a weather event may not qualify as a windstorm depending on the amount of precipitation involved, but that has no effect on the fact that, based on the ordinary meanings of the terms, a tornado is always a windstorm."

The court next looked to how the Texas Legislature and the courts used the term "windstorm" and found that nothing called its conclusion into question.

The Mankoffs offered an expert opinion from a meteorologist. The expert testified that there is a meteorological distinction between a tornado and a windstorm. A tornado is its own distinct event, separate from a wind event. The court did not give much weight to this because it's the plain and ordinary meaning that matters for purposes of the insurance policy, not a technical meteorological one. But even so, the glossary of meteorological terms coincided with the thread across common dictionaries and did not exclude a tornado from a windstorm. The fact that a windstorm and a tornado can be distinct events has no bearing on whether a tornado is part of the broader term "windstorm."

Having considered the dictionary definitions of “windstorm,” as well as the term’s usage in other statutes and case decisions, the Texas Supreme Court held that the common, ordinary meaning of “windstorm” in an insurance policy unambiguously includes a tornado. The damage to the Mankoffs' property was caused by a tornado, which is a type of windstorm. Their claim was thus subject to the policy's “Windstorm or Hail” deductible.

The case is *Privilege Underwriters Reciprocal Exch. v. Mankoff*, No. 24-0132 (Tex. Feb. 13, 2026).

Georgia Federal District Court: Knowledge of Occurrence, Not Filing of Suit, Triggered Property Manager’s Duty to Notify

Liability policies typically require the policyholder to notify the insurer of a claim or suit “as soon as practicable.” Whether notice was as soon as practicable depends on the particular facts, but often, the issue can be decided as a matter of law. In this case, the policyholder tried to create enough of a factual dispute to get the issue to the jury, and raised a host of legal arguments as well.

The case arises out of a June 2021 fire at an apartment complex. Amifor Management LLC was the apartment complex’s property manager. Amifor had an employee on-site to run the day-to-day operations. Gordon Li was the sole member and owner of Amifor.

Li went to the apartment complex on the day of the fire. He communicated with the fire department, contacted an insurance broker, and reported the incident to a different insurer. Within a few weeks, Li also became aware that injured residents had been hospitalized and were seeking compensation.

Amifor had a liability policy with Auto-Owners Insurance Company. The policy had a condition setting forth Amifor’s duties in the event of an occurrence, offense, claim or suit. It stated: “You must see to it that we are notified as soon as practicable of an “occurrence” or an offense which may result in a claim.”

Amifor did not notify Auto-Owners of the fire until February 2024, more than two-and-a-half years later. Amifor gave notice about a month after one of the apartment complex residents sued Amifor.

Auto-Owners filed a declaratory judgment action in federal court in Georgia and moved for summary judgment seeking a judgment on late notice as a matter of law.

Amifor was in a tough spot given Li's knowledge. So, it sought to create a jury question by putting some distance between Li and the owners of the companies involved.

The apartment complex was owned by Forest LP, in which Li held a minority stake. Forest LP contracted with Yellowstone Group, LLC to be the property manager. No formal contract existed between Amifor and Forest LP. And the Amifor employee who worked at the complex was ultimately paid by Yellowstone. Because no formal relationship existed with Amifor, the insureds argued that Li's actions with respect to the apartment complex were taken either in his personal capacity or as a part owner of Forest LP.

But Auto-Owners introduced two undisputed facts that clarified the arrangement. Amifor still paid the employee stationed at the apartment complex; Yellowstone simply reimbursed Amifor for the employee's salary. And Forest LP paid the property management fee to Amifor, not Li.

Amifor next attacked the language of the policy, claiming that the notice clause was ambiguous. Amifor argued that the policy did not expressly make compliance with the notice provision a precondition to coverage. Thus, Amifor contended that Auto-Owners had to show that it was prejudiced by the delayed notice. The court rejected this argument finding that Auto-Owners' policy had a general provision stating that no action will lie against the insurer unless the insured has fully complied with terms of the policy. Under Georgia law, this was sufficient to create a condition precedent to coverage.

The claimants were also party to the declaratory judgment action, and they came at it from another angle. They argued that the plain meaning of the term "claim" is "a demand for money" and that there was no demand for money until Amifor was sued in January 2024. The court said that may be true, but the argument ignored key language. The policy required the insured to notify Auto-Owners of an occurrence "which *may* result in a claim." The word "may," the court explained, refers to the possibility of a claim in the future. A formal claim is not what triggers the duty to notify. Instead, that duty arises when there is an "occurrence" that may later lead to a claim.

Amifor argued that Li's knowledge could not be imputed to it. But the court observed that knowledge or awareness of facts is imputed to an LLC through its agents and it was undisputed that Li knew when the fire occurred. Li's knowledge was thus imputed to Amifor as a matter of law.

Amifor contended that it had a reasonable excuse for the timing of its notice and whether notice was given as soon as practicable is a question for the factfinder. Amifor argued that because Li was a part owner of other companies that owned and managed the apartment complex, and they had been sued earlier, that Amifor had no reason to think it would be brought into the suit.

The court rejected this argument too. First, it noted that Georgia courts have found delays of four months or more to be late as a matter of law. Second, the facts showed that Li was actively involved with the management and operation of the apartment complex and was paid by Amifor for his services. Thus, Amifor should have known it might be sued. The court reasoned: "Unlike cases where insured entities were unaware of the lawsuit or had no reason to expect they would be sued, Amifor both knew of the fire and was involved in managing the apartment."

The court held that under the circumstances, a reasonable person would have known that the fire could result in a claim against Amifor and that summary judgment was appropriate.

The case is *Auto-Owners Ins. Co. v. Ferguson*, No. 1:24-CV-04065-JPB (N.D. Ga. Feb. 12, 2026).

Tennessee Federal District Court: Professional Liability Policy Covered Infants' Lead Ingestion Claim, Pollutant Exclusion Did Not Apply

Infants enrolled in the First Centenary's Children's Enrichment Center (CEC) had elevated blood levels. The infants' parents alleged that this was caused by CEC staff members' use of mirrors as toys for the infants. The mirrors contained lead paint.

The CEC was part of a program run by First Centenary United Methodist Church. First Centenary was insured by Cincinnati Insurance Company. First Centenary's policy included, among other coverages, Teacher's Professional Liability.

The Teacher's Coverage defined "professional services" as "those activities and services which are directly related to the instruction and supervision of students and that only a certified teacher, or person otherwise legally eligible to teach, in the jurisdiction where you operate can provide."

The Teacher's Coverage had an exclusion for "pollutants," which was broadly defined and included "substances which are generally recognized in industry or government to be harmful or toxic to persons, property or the environment regardless of whether the injury or damage is caused directly or indirectly by the 'pollutants' and whether: (a) the insured is regularly or otherwise engaged in activities which taint or degrade the environment; or

(b) the insured uses, generates or produces the 'pollutant.'"

Other coverages within the policy had a lead exclusion. But there was no lead exclusion in the Teacher's Coverage.

The insurer sought a declaration in Tennessee federal court that it had no duty to defend or indemnify First Centenary in the infant lead exposure suits. The insurer contended that the Teacher's Coverage did not apply because: (1) the injuries did not arise out of activities that are "directly related to the instruction and supervision of students"; and (2) did not stem from an act that a "certified teacher or person eligible to teach can provide." Alternatively, the pollutant exclusion applied.

The court disagreed with the insurer.

First, it found that providing the infants with mirrors was instructional. Although playing with mirrors might not be educational for older children, for young children, the court explained, "such exploration of the world around them helps their development and is instructional."

The insurer also argued that the infants' injuries did not arise from First Centenary's failure to render instruction because the CEC was not designed to provide constant instruction. The CEC's class schedule included activities like "free play, snack times, and outside play," and those activities are unrelated to instruction. The court found this argument implausible because if constant instruction were required for the Teacher's Coverage to apply, then every class that allowed for recess would be excluded.

The court also rejected the insurer's argument that the infants were too young to be students. The term "students" was undefined in the policy and the court found that because childcare centers must provide educational experiences for children, including infants, infants would be students.

The insurer next argued that the Teacher's Coverage applied only to acts of a certified teacher or acts a person eligible to teach could provide. Giving a child a mirror, the insurer argued, was not a teacher-related act. But the court rejected this argument too because Tennessee regulations limit who can care for children at a childcare center, and thus, not just anyone could have given the infants a mirror at the CEC. The court stated: "The individuals qualified to be with the children at childcare centers are also required to provide learning experiences, which include allowing children to manipulate toys. Since the CEC staff allegedly provided the children in the class with the lead mirrors, the alleged injuries could have only been caused by someone eligible to teach."

The court next turned to the pollution exclusion. First Centenary contended that the pollutant exclusion did not bar lead claims because the policy had specific lead exclusions and to interpret the pollutant exclusion to include lead would make the lead exclusion superfluous. The insurer contended that the pollutant exclusion should be interpreted broadly in the Teacher's Coverage because lead is recognized as "harmful and toxic."

The court sided with First Centenary. The court observed that four other coverage parts of the policy contained both lead and pollutant exclusions. To interpret the policy's pollutant exclusions to include lead would, in the court's view, make the lead exclusions superfluous in the other coverages. And if it read the pollutant exclusion broadly as to cover all harmful and toxic substances, the Teacher's Coverage's asbestos exclusion would be superfluous because, like lead, asbestos is considered harmful and toxic.

The court also reasoned that the verbs used in the pollutant exclusion – "discharge, dispersal, seepage, migration, release, escape or emission of pollutants" – are not how lead is ingested. The verbs used in the lead exclusion, in contrast – "ingestion, inhalation, absorption of, exposure to or presence of lead in any form" – better describe how injuries from lead could occur. To construe that lead was included

in the Teacher's Coverage pollutant exclusion, the court explained, would be to construe the exclusion too broadly.

As the court found that the pollutant exclusion did not include lead, the insurer had a duty to defend First Centenary in the infant lawsuits.

The case is *Cincinnati Ins. Co. v. First Centenary United Methodist Church*, No. 1:25-cv-53 (E.D. Tenn. Feb. 3, 2026).

New Jersey Federal Court: Broken Glass is Pollutant Under Pollution Policy

A New Jersey school found broken glass embedded in a grass field that it owned. It sought insurance coverage from Utica National for removal costs.

The insured's pollution policy covered expenses to extract "pollutants" from the school's land. "Pollutants" meant "any solid, irritant or contaminant, including waste."

Utica denied coverage, the school sued, and Utica moved to dismiss. The question was whether broken glass is a pollutant under the policy. The court denied Utica's motion.

In denying Utica's motion, the court observed that the New Jersey Supreme Court had not yet decided whether broken glass is a pollutant. And cases addressing supposedly analogous substances did not point the court in a clear direction.

The court thus looked to the dictionary definition of the word "contaminant." Merriam-Webster defined "contaminates" as "to make unfit for use by the introduction of unwholesome or undesirable elements." Broken glass, the court deduced, was an "undesirable element" in the grass field where it was discovered that made the field unfit for use.

The court also did not think that case law limiting pollution exclusions to traditional environmental pollutants applied. Those cases concerned pollution exclusions, not pollution coverage. And those cases were based on historical promises made by insurers not to apply pollution exclusions literally, but to limit them to traditional environmental pollution. Here, the insured had made no comparable promise to regulators about the breath of pollution coverage.

The court held that Utica did not establish that the complaint failed to state a claim and thus failed to carry its burden on a motion to dismiss.

The case is *Oak Knoll Sch. of the Holy Child. v. Utica Nat'l Ins. Grp.*, 25-cv-13185 (D.N.J. Feb. 19, 2026).