

APPELLATE DIVISION OF THE SUPREME COURT OF THE STATE OF NEW YORK, SECOND DEPARTMENT

Authority Fleet Servs. Corp. v. Amtrust N. Am., Inc.

2026 NY Slip Op 02620 · No. 2024-06886 · Decided April 29, 2026

SUMMARY

The Appellate Division, Second Department, affirmed an order and judgment requiring Amtrust North America, Inc. to defend Authority Fleet Services Corp. and the other plaintiffs in an underlying construction-accident action. The court held that the allegations in the underlying complaint suggested a reasonable possibility of coverage and that the insurer failed to raise a triable issue of fact defeating its duty to defend.

CASE DETAILS

COURT	Appellate Division of the Supreme Court of the State of New York, Second Department
WRITING FOR THE COURT	Angela G. Iannacci, J.P.; Cheryl E. Chambers, J.; Lillian Wan, J.; Janice A. Taylor, J.
JURISDICTION	Supreme Court of the State of New York, Appellate Division, Second Department
DECIDED	April 29, 2026
DOCKET	2024-06886
DISPOSITION	affirmed
PROCEDURAL POSTURE	Amtrust appealed from an order and judgment granting the plaintiffs summary judgment declaring that Amtrust was obligated to defend them in an underlying construction-accident action and denying Amtrust's cross-motion for summary judgment.
STANDARD OF REVIEW	The Appellate Division reviewed the parties' summary-judgment motions and whether the underlying complaint triggered a duty to defend. The insurer bears the burden of establishing as a matter of law that there is no possible factual or legal basis for indemnification under the policy.
PRECEDENTIAL VALUE	published
PARTIES	Amtrust North America, Inc. v. Authority Fleet Services Corp., et al.

TOPICS

duty to defend

duty to indemnify

insurance coverage

construction law

appellate procedure

PRACTICE AREAS

insurance coverage

duty to defend

duty to indemnify

construction law

appellate procedure

QUESTIONS PRESENTED

1. Whether the allegations in the underlying construction-accident complaint created a reasonable possibility of coverage sufficient to trigger Amtrust's duty to defend.
2. Whether Amtrust established as a matter of law that there was no possible factual or legal basis for indemnification under any policy provision.
3. Whether the plaintiffs were entitled to summary judgment declaring that Amtrust was obligated to defend them in the underlying action.

HOLDINGS

1. The allegations in the underlying complaint suggested a reasonable possibility of coverage for the plaintiffs and therefore triggered Amtrust's duty to defend.
2. The plaintiffs were entitled to summary judgment declaring that Amtrust was obligated to defend them, and Amtrust failed to raise a triable issue of fact in opposition.

KEY QUOTATIONS

"A duty to defend is triggered by the allegations contained in the underlying complaint" ([*2])

"An insurer's duty to defend is broader than the duty to indemnify and arises whenever the allegations of the complaint against the insured, liberally construed, potentially fall within the scope of the risks undertaken by the insurer" ([*2])

"Nonetheless, 'an insurer can be relieved of its duty to defend if it establishes as a matter of law that there is no possible factual or legal basis on which it might eventually be obligated to indemnify its insured under any policy provision'" ([*2])

"In determining a dispute over insurance coverage, we first look to the language of the policy" ([*2])

"As with any contract, unambiguous provisions of an insurance contract must be given their plain and ordinary meaning" ([*2])

FACTUAL BACKGROUND

Joshua Devito and Brian Guilfoil allegedly were injured in a construction accident on September 30, 2022. They sued the plaintiffs and another party, alleging that they worked for 1-888-Junk-Demo, Inc., which had a contract with the plaintiffs, and that the plaintiffs supervised, managed, controlled, and directed the work. The plaintiffs notified Amtrust and sought coverage under a workers' compensation and employers' liability policy issued to Authority Fleet Services Corp.

PROCEDURAL HISTORY

The plaintiffs sought a declaration that Amtrust owed defense and indemnity obligations under a workers' compensation and employers' liability policy. The Supreme Court, Suffolk County, granted the plaintiffs' motion for summary judgment as to the duty to defend, denied Amtrust's cross-motion, and declared that Amtrust was obligated to defend. The Appellate Division affirmed insofar as appealed from.

DISPOSITION

affirmed

CASES CITED

- Cumberland Farms, Inc. v. Tower Group, Inc., 137 AD3d 1068, 1070
- 523 BWAY, LLC v. Erie & Niagara Ins. Assn., 236 AD3d 841, 843
- Allstate Ins. Co. v. Zuk, 78 NY2d 41, 45
- Gem-Quality Corp. v. Colony Ins. Co., 209 AD3d 986, 990
- Durant v. State of New York, 195 AD3d 796, 798
- Cumberland Farms, Inc. v. Tower Group, Inc., 137 AD3d 1068, 1071
- Matter of Ovadia v. Office of the Indus. Bd. of Appeals, 19 NY3d 138, 145

OPINION

Authority Fleet Servs. Corp. v. Amtrust N. Am., Inc. 2026 NY Slip Op 02620

PER CURIAM.

<div>Authority Fleet Servs. Corp. v Amtrust N. Am., Inc. - 2026 NY Slip Op 02620 <div> skip to main content </div> <div> <p>It appears you are using Adblock. Please disable Adblock to best experience our website.</p> </div> <div> <header> <div> </div> <div> Law Reporting
Bureau Thomas J.K. Smith, State Reporter <nav> Court Decisions Resources About </nav> </div> <div> </div> </header> </div> <nav> Home All Court Decisions Decisions </nav> <div> <div> <h1>Authority Fleet Servs. Corp. v Amtrust N. Am., Inc.</h1> <p>2026 NY Slip Op 02620</p> <p>April 29, 2026</p> <p>Appellate Division, Second Department</p> <p>Published by New York State Law Reporting Bureau pursuant to Judiciary Law § 431.</p> <p>This decision is uncorrected and subject to revision before publication in the Official Reports.</p> </div> <div> <p>Authority Fleet Services Corp., et al., respondents,</p> <p>v</p> <p>Amtrust North America, Inc., appellant.</p> </div> <p>Supreme Court of the State of New York, Appellate Division, Second Judicial Department</p> <p>Decided on April 29, 2026</p> <p>2024-06886, (Index No. 627094/23)</p> <p>Angela G. Iannacci, J.P.</p> <p>Cheryl E. Chambers</p> <p>Lillian Wan</p> <p>Janice A. Taylor, JJ.</p> <div> <p>Hurwitz Fine, P.C., Buffalo, NY (Isabelle H. LaBarbera and Steven E. Peiper of counsel), for

appellant.

Horn Wright, LLP, Garden City, NY (Spencer D. Shapiro and Pablo A. Fernandez of counsel), for respondents.

DECISION & ORDER

In an action, inter alia, for a judgment declaring that the defendant is obligated to defend and indemnify the plaintiffs in an underlying action entitled *Devito v Patalan 200, LLC*, pending in the Supreme Court, Suffolk County, under Index No. 601138/23, the defendant appeals from an order and judgment (one paper) of the Supreme Court, Suffolk County (Maureen T. Liccione, J.), dated July 11, 2024. The order and judgment, insofar as appealed from, granted that branch of the plaintiffs' motion which was for summary judgment declaring that the defendant is obligated to defend the plaintiffs in the underlying action, and denied the defendant's cross-motion for summary judgment dismissing the complaint and, in effect, declaring that the defendant has no obligation to defend or indemnify the plaintiffs in the underlying action, and declared that the defendant is obligated to defend the plaintiffs in the underlying action.

ORDERED that the order and judgment is affirmed insofar as appealed from, with costs.

On September 30, 2022, Joshua Devito and Brian Guilfoil allegedly were injured in a construction accident. Devito and Guilfoil later commenced an action (hereinafter the underlying action) against the plaintiffs and another party to recover damages for their injuries related to the accident. According to the complaint and bill of particulars in the underlying action, Devito and Guilfoil worked for 1-888-Junk-Demo, Inc., which had a contract with the plaintiffs at the time of the accident. However, the complaint also alleged that the plaintiffs supervised, managed, controlled, and directed the work being performed.

The plaintiffs later notified the defendant of the underlying action and requested a determination of coverage pursuant to a workers' compensation and employers' liability insurance policy issued by the defendant to the plaintiff Authority Fleet Services Corp.

Thereafter, the plaintiffs commenced this action, inter alia, for a judgment declaring that the defendant is obligated to defend and indemnify the plaintiffs in the underlying action. The plaintiffs later moved, among other things, for summary judgment declaring that the defendant is obligated to defend the plaintiffs in the underlying action. The defendant opposed and cross-moved for summary judgment dismissing the complaint and, in effect, declaring that the defendant has no obligation to defend or indemnify the plaintiffs in the underlying action.

In an order and judgment dated July 11, 2024, the Supreme Court, inter alia, granted that branch of the plaintiffs' motion which was for summary judgment declaring that the defendant is obligated to defend the plaintiffs in the underlying action, denied the defendant's cross-motion, and declared that the defendant is obligated to defend the plaintiffs in the underlying action. The defendant appeals.

"A duty to defend is triggered by the allegations contained in the underlying complaint" (*Cumberland Farms, Inc. v Tower Group, Inc.*, 137 AD3d 1068, 1070 [internal quotation marks omitted]). "An insurer's duty to defend is broader than the duty to indemnify and arises whenever the allegations of the complaint against the insured, liberally construed, potentially fall within the scope of the risks undertaken by the insurer" (*id.* [internal quotation marks omitted]; *see* 523 BWAY, LLC v Erie

& Niagara Ins. Assn.

, 236 AD3d 841, 843). "Nonetheless, 'an insurer can be relieved of its duty to defend if it establishes as a matter of law that there is no possible factual or legal basis on which it might eventually be obligated to indemnify its insured under any policy provision'" (*Cumberland Farms, Inc. v Tower Group, Inc.*, 137 AD3d at 1070, quoting *Allstate Ins. Co. v Zuk*, 78 NY2d 41, 45).

"In determining a dispute over insurance coverage, we first look to the language of the policy" (*Gem-Quality Corp. v Colony Ins. Co.*, 209 AD3d 986, 990 [internal quotation marks omitted]). "As with any contract, unambiguous provisions of an insurance contract must be given their plain and ordinary meaning" (*id.* [internal quotation marks omitted]).

Here, the plaintiffs demonstrated that the complaint in the underlying action suggested a reasonable possibility of coverage for the plaintiffs (*see* *Durant v State of New York*, 195 AD3d 796, 798; *Cumberland Farms, Inc. v Tower Group, Inc.*, 137 AD3d at 1071; *see also* Labor Law § 861-c[1][a]; *Matter of Ovadia v Office of the Indus. Bd. of Appeals*, 19 NY3d 138, 145). In opposition, the defendant failed to raise a triable issue of fact (*see* *Durant v State of New York*, 195 AD3d at 798; *Cumberland Farms, Inc. v Tower Group, Inc.*, 137 AD3d at 1071).

Accordingly, the Supreme Court properly granted that branch of the plaintiffs' motion which was for summary judgment declaring that the defendant is obligated to defend the plaintiffs in the underlying action and declared that the defendant is obligated to defend the plaintiffs in the underlying action.

In light of the foregoing, we need not consider the plaintiffs' remaining contention.

IANNACCI, J.P., CHAMBERS, WAN and TAYLOR, JJ., concur.

ENTER:

Darrell M. Joseph
Clerk of the Court

Footer

Court Decisions

All Court Decisions Official Reports Service Bound Volumes Decision Search

Resources

RSS Feeds Style Manual Citation Tools Opinion Formatting & Privacy Guidelines Opinion Selection Criteria Legal Research Portal Site Index

About

About the Law Reporting Bureau About our Operations Contact Us Twitter

Quick Contact Info

17 Lodge Street
Albany, NY 12207
Phone: (518) 453-6900

Links to or from other sites do not signify endorsement or relationship with them.

PER CURIAM.

Authority Fleet Servs. Corp. v Amtrust N. Am., Inc. - 2026 NY Slip Op 02620 skip to main content It appears you are using Adblock. Please disable Adblock to best experience our website. Law Reporting Bureau Thomas J.K. Smith, State Reporter Court Decisions Resources About Home All Court Decisions Decisions Authority Fleet Servs. Corp. v Amtrust N. Am., Inc. 2026 NY Slip Op 02620 April 29, 2026 Appellate Division, Second Department Published by New York State Law Reporting Bureau pursuant to Judiciary Law § 431. This decision is uncorrected and subject to revision before publication in the Official Reports. Authority Fleet Services Corp., et al., respondents, v Amtrust North America, Inc., appellant. Supreme Court of the State of New York,

Appellate Division, Second Judicial Department Decided on April 29, 2026 2024-06886, (Index No. 627094/23) Angela G. Iannacci, J.P. Cheryl E. Chambers Lillian Wan Janice A. Taylor, JJ. Hurwitz Fine, P.C., Buffalo, NY (Isabelle H. LaBarbera and Steven E. Peiper of counsel), for appellant. Horn Wright, LLP, Garden City, NY (Spencer D. Shapiro and Pablo A. Fernandez of counsel), for respondents. [*1] DECISION & ORDER In an action, inter alia, for a judgment declaring that the defendant is obligated to defend and indemnify the plaintiffs in an underlying action entitled Devito v Patalan 200, LLC , pending in the Supreme Court, Suffolk County, under Index No. 601138/23, the defendant appeals from an order and judgment (one paper) of the Supreme Court, Suffolk County (Maureen T. Liccione, J.), dated July 11, 2024. The order and judgment, insofar as appealed from, granted that branch of the plaintiffs' motion which was for summary judgment declaring that the defendant is obligated to defend the plaintiffs in the underlying action, and denied the defendant's cross-motion for summary judgment dismissing the complaint and, in effect, declaring that the defendant has no obligation to defend or indemnify the plaintiffs in the underlying action, and declared that the defendant is obligated to defend the plaintiffs in the underlying action. ORDERED that the order and judgment is affirmed insofar as appealed from, with costs. On September 30, 2022, Joshua Devito and Brian Guilfoil allegedly were injured in a construction accident. Devito and Guilfoil later commenced an action (hereinafter the underlying action) against the plaintiffs and another party to recover damages for their injuries related to the accident. According to the complaint and bill of particulars in the underlying action, Devito and Guilfoil worked for 1-888-Junk-Demo, Inc., which had a contract with the plaintiffs at the time of the accident. However, the complaint also alleged that the plaintiffs supervised, managed, controlled, and directed the work being performed. The plaintiffs later notified the defendant of the underlying action and requested a determination of coverage pursuant to a workers' compensation and employers' liability insurance policy issued by the defendant to the plaintiff Authority Fleet Services Corp. Thereafter, the plaintiffs commenced this action, inter alia, for a judgment declaring that the defendant is obligated to defend and indemnify the plaintiffs in the underlying action. The plaintiffs later moved, among other things, for summary judgment declaring that the defendant is obligated to defend the plaintiffs in the underlying action. The defendant opposed and cross-moved [*2] for summary judgment dismissing the complaint and, in effect, declaring that the defendant has no obligation to defend or indemnify the plaintiffs in the underlying action. In an order and judgment dated July 11, 2024, the Supreme Court, inter alia, granted that branch of the plaintiffs' motion which was for summary judgment declaring that the defendant is obligated to defend the plaintiffs in the underlying action, denied the defendant's cross-motion, and declared that the defendant is obligated to defend the plaintiffs in the underlying action. The defendant appeals. "A duty to defend is triggered by the allegations contained in the underlying complaint" (Cumberland Farms, Inc. v Tower Group, Inc. , 137 AD3d 1068, 1070 [internal quotation marks omitted]). "An insurer's duty to defend is broader than the duty to indemnify and arises whenever the allegations of the complaint against the insured, liberally

construed, potentially fall within the scope of the risks undertaken by the insurer" (*id.* [internal quotation marks omitted]; see 523 BWAY, LLC v Erie & Niagara Ins. Assn. , 236 AD3d 841 , 843). "Nonetheless, 'an insurer can be relieved of its duty to defend if it establishes as a matter of law that there is no possible factual or legal basis on which it might eventually be obligated to indemnify its insured under any policy provision'" (*Cumberland Farms, Inc. v Tower Group, Inc.* , 137 AD3d at 1070 , quoting *Allstate Ins. Co. v Zuk* , 78 NY2d 41, 45). "In determining a dispute over insurance coverage, we first look to the language of the policy" (*Gem-Quality Corp. v Colony Ins. Co.* , 209 AD3d 986, 990 [internal quotation marks omitted]). "As with any contract, unambiguous provisions of an insurance contract must be given their plain and ordinary meaning" (*id.* [internal quotation marks omitted]). Here, the plaintiffs demonstrated that the complaint in the underlying action suggested a reasonable possibility of coverage for the plaintiffs (see *Durant v State of New York* , 195 AD3d 796, 798 ; *Cumberland Farms, Inc. v Tower Group , Inc.*, 137 AD3d at 1071 ; see also Labor Law § 861-c[1][a]; *Matter of Ovadia v Office of the Indus. Bd. of Appeals* , 19 NY3d 138, 145). In opposition, the defendant failed to raise a triable issue of fact (see *Durant v State of New York* , 195 AD3d at 798 ; *Cumberland Farms, Inc. v Tower Group , Inc.* , 137 AD3d at 1071). Accordingly, the Supreme Court properly granted that branch of the plaintiffs' motion which was for summary judgment declaring that the defendant is obligated to defend the plaintiffs in the underlying action and declared that the defendant is obligated to defend the plaintiffs in the underlying action. In light of the foregoing, we need not consider the plaintiffs' remaining contention. IANNACCI, J.P., CHAMBERS, WAN and TAYLOR, JJ., concur. ENTER: Darrell M. Joseph Clerk of the Court Court Decisions All Court Decisions Official Reports Service Bound Volumes Decision Search Resources RSS Feeds Style Manual Citation Tools Opinion Formatting & Privacy Guidelines Opinion Selection Criteria Legal Research Portal Site Index About About the Law Reporting Bureau About our Operations Contact Us Twitter Quick Contact Info 17 Lodge Street Albany, NY 12207 Phone: (518) 453-6900 Links to or from other sites do not signify endorsement or relationship with them.