The plaintiff held commercial general liability insurance from several insurers The policies provided coverage for sums the plaintiff was "legally obligated to pay as damages" for property damage *Vandenberg*, 21 Cal.4th at 825, 982 P 2d at 235, 88 Cal Rptr 2d at 372 The plaintiff tendered the defense of the Boyd complaint to his insurers and only USF&G agreed to defend The parties reached a settlement, and it was agreed between the Boyds and the plaintiff that the breach of lease issues would be resolved through arbitration USF&G agreed to defend the plaintiff in the arbitration, but reserved its coverage and indemnity obligations for future resolution

In the arbitration, the arbitrator ruled for Boyd in the amount of $4 million The award was confirmed by a superior court judgment and the plaintiff requested indemnification from his insurers The insurers rejected the plaintiff's indemnification request and the plaintiff then filed the underlying action against his insurers alleging a failure to defend, settle, or indemnify in the Boyd action In a motion, the insurers sought summary judgment on the ground that the arbitrator awarded damages for breach of lease, a contractual cause of action, and contractual damages were not covered by the commercial general liability policies at issue The trial court found that the plaintiff had no coverage under the policies for the arbitration award because the claims submitted to the arbitrator were contractual *Vandenberg*, 21 Cal 4th at 827, 982 P 2d at 236, 88 Cal Rptr 2d at 373

The court of appeals reversed ruling that "coverage under the insurance policies in question could not be determined by reference to the 'general rule' that damages for an insured's nonperformance of a **308 ***114 contract are not covered under CGL insurance polices " *Vandenberg*, 21 Cal 4th at 827, 982 P 2d at 236, 88 Cal Rptr 2d at 374 The court further reasoned that, "when there is damage to property, the focus of the inquiry should be the nature of the risk or peril that caused the injury and the specific policy language, not the form of the action brought by the injured party " *Vandenberg*, 21 Cal 4th at 828, 982 P 2d at 246, 88 Cal Rptr 2d at 374 The supreme court affirmed the reasoning of the court of appeals *Vandenberg*, 21 Cal 4th at 841, 982 P 2d at 246, 88 Cal Rptr 2d at 384-85

In our view, *Vandenberg* is distinguishable First, in *Vandenberg*, a breach of contract theory was asserted against the plaintiff in the action filed by the Boyds in addition to claims for environmental damages In the instant case, the Pneumo complaint and BFG counterclaim sought damages for breach of the asset purchase agreement and for the alleged failure to comply with the agreement's indemnification *873 provisions Thus, the Pneumo action and BFG counterclaim amounted only to a breach of contract, which is unlike the breach of lease and environmental claims brought against the plaintiff in *Vandenberg* Furthermore, we are not bound by this decision

We find that *Indiana Insurance Co v Hydra Corp*, 245 Ill App 3d 926, 185 Ill Dec 775, 615 N E 2d 70 (1993), and *Bituminous*, 218 Ill App 3d at 966, 161 Ill Dec 357, 578 N E 2d 1003, are instructive in this case In *Hydra*, Hydra Corporation (Hydra) contracted to construct a building for B K Production Specialties (B K) The contract provided for arbitration in the event of a dispute When numerous cracks emerged in the building's concrete floor and the building developed an unsightly appearance due to loose paint, B K initiated an arbitration proceeding for repairs at Hydra's expense The arbitrator ruled in favor of B K , yet Hydra did not make the repairs B K then filed a complaint seeking enforcement of the arbitration award Hydra tendered the complaint to its insurer, Indiana Insurance Company, for a defense and indemnity

The language in two policies Indiana issued to Hydra stated the following

> " 'The company will pay on behalf of the insured all sums which the insured shall become legally obligated to pay as damages because of
> Coverage A bodily injury or
> Coverage B property damage
> to which this insurance applies caused by an occurrence, and the company shall have the right and duty to defend any suit against the insured seeking damages on account of such bodily injury or property damage * * * ' " *Hydra*, 245 Ill App 3d at 928, 185 Ill.Dec 775, 615 N E 2d 70

Indiana filed a declaratory judgment seeking a declaration that it need not defend or indemnify Hydra because the damages suffered by B K were not caused by an occurrence The trial court entered a motion for judgment on the pleadings in favor of Indiana

On review, the appellate court affirmed the trial court on the ground that the underlying complaint did not allege damages resulting from an unforeseen occurrence as required by the policies Instead, it reasoned that the cracks in the floor and the loose paint on the building's exterior were the natural and ordinary consequences of installing defective concrete and applying the wrong type of paint, bases for a breach of contract claim Thus, the court determined that B K 's breach of contract claim was not covered under the policies issued by Indiana *Hydra*, 245 Ill App 3d at 932, 185 Ill Dec 775, 615 N E 2d 70