
DESANCTIS INSURANCE AGENCY, INC.

Phone: (781) 935-8480
Fax: (781) 933-5645

36 Cummings Park
Woburn, Massachusetts 01801

To Our Valued Clients:

March 2007

Pollution Liability Coverage and Mold Protection

We have advised you in the past how important it is that you consider adding the above coverages to your asset protection program (insurance). Unfortunately, as the legal environment surrounding Pollution and Mold claims continues to worsen, it is our **absolute** belief that all companies, especially contractors, need to protect themselves against these exposures.

Please understand that almost all **General Liability policies exclude coverage** for pollution exposures, especially mold. Some of you may have Limited Pollution coverage attached to your General Liability policy, but as the name implies, coverage is limited and excludes mold, asbestos, etc. In addition, if pollution or the type of pollutant is excluded under the terms of the policy, the Insurance Companies have no duty to defend against any suit seeking such damages.

Insurance Industry Bulletins are continually citing examples of new types of claims relating to pollution incidents. Unfortunately, some of you have not opted to purchase this coverage in spite of our previous memos. We strongly urge you to talk to your legal counsel to obtain their opinion on the potential impact an uncovered pollution claim could have on your business. We feel certain they will echo our concern.

Please allow us to obtain a quotation to protect your business against these exposures. We strongly believe this is in your best interest. We feel the cost will be minor in relation to the expense of an uncovered claim where you would be obligated to pay not only the damages for which you are found responsible, but the defense costs as well.

Very truly yours,

DeSanctis Insurance Agency, Inc.