

JANITORIAL CONTRACTOR - Working at a mall, a cleaning company inadvertently mixed cleaners, one ammonia based, the other chlorine based. The result was a toxic cloud of ammonia chloride that caused respiratory distress in dozens of shoppers. Total cost of this claim: \$175,000.

FLOORING CONTRACTOR - A general contractor (GC) installed new carpeting in an office building. One week after installation, the building owner informed the GC that employees were complaining of headaches and dizziness. This was attributed to odors from the new carpets. The GC could not prove that the manufacturer of the carpet or the carpet adhesive was responsible; thus, the GC was left with the claim. The GC filed a claim with their general liability carrier. The claim was denied due to the fact that hazardous materials such as formaldehyde and volatile organic compounds associated with the carpet and adhesives are pollutants.

RENOVATION CONTRACTOR - General contractor (GC) renovating a bank hired an asbestos abatement contractor. As part of their final cleanup process on a Friday, the abatement contractor utilized a high-pressure wash, resulting in saturated carpets, ceilings and walls. Materials remained saturated over the weekend when the HVAC system remained turned off. The GC was greeted with extensive mold growth throughout the building on Monday morning, and ultimately a \$600,000 bill to correct the damage. Although the GC ensured that the subcontractor retained pollution insurance, the subcontractor had a mold exclusion on their policy, leaving the entire cost on the shoulders of the GC.

PAVING CONTRACTOR - A city hired a contractor to finish six roads, two primary and four cul-de-sacs. The size of the roads required that the contractor apply 2,800 gallons of oil based sealant. However, before the sealant could dry, precipitation washed it off the roads and into the city's storm drain and a nearby stream. The oil-based sealant was found to be potentially harmful and the city inspectors ordered the contractor to clean it up. Fifty property owners who lived along the stream filed suit for bodily injury and property damage as a result of the washout. The contractor paid all costs associated with the cleanup and settlements for approximately \$500,000.

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