

## Indoor Air Quality and Mold Liability Insurance Policy

Covers bodily injury, property damage, legal expense and building related clean-up costs resulting from pollution conditions on, at, or within a building on a covered location.

### Policy Benefits

- Clean-up cost coverage for the inadvertent disturbance of asbestos or lead-based paint.
- Definition of Bodily Injury includes building related illness and medical and environmental monitoring.
- Definition of Pollutants includes mold, Legionella, and EMFs.
- Compensatory, punitive, multiplied or exemplary damages and civil fines, penalties and assessments, where insurable by law.
- Definition of Pollution Condition includes illicit abandonment of Pollutants at a Covered Location.
- Coverage is triggered by the discovery of pollution condition or a claim made by third party.
- Definition of Property Damage includes Natural Resource Damages.

### This policy is intended for:

- Real estate locations including apartments/condos, hotels/motels, offices, retail shopping centers and malls.
- Not currently contemplating the following classes through the online portal: airports, colleges/universities, food services, hospitals, healthcare centers and nursing homes. Please ask your UCPM representative if we can assist with a site pollution policy for these types of risks.
- Coverage exclusion: chemicals related to dry cleaning operations.

## Some Claims Examples

### Apartment Mold

A few years after construction of an upscale apartment community, tenants complained about mold in bathrooms. Multiple buildings and units within the complex experienced similar problems over the next few months. An extensive investigation revealed that construction defects associated with HVAC systems and showers caused severe water intrusion and moisture build-up leading to widespread mold growth. Damages to the property owner included loss of rents, clean-up costs, and settlements with injured tenants totaling over two million dollars.

### Meth Lab

During the process of divesting an apartment properly, the due diligence investigation revealed a tenant who had been arrested on illegal gun sale charges and suspected methamphetamine manufacture and sale. Despite the fact that the unit had been repainted several times, environmental testing confirmed that it was tainted with methamphetamine residue, which permeates wallboard, wood, carpeting, and flooring, and remains of concern to human health for years.

### Rainstorm Causes Grief

During a particularly heavy storm, rain water gathered in a puddle on the roof of an office building. Due to a clogged drain, the water level rose higher than the installed protective flashing and entered the drywall behind office furniture. Over time, mold began to grow in the obscured area and was not discovered until odors were noticed, leading to a costly clean up and the potential for bodily injury claims from tenants.