

Mold exclusions in commercial property and general liability policies leave a dangerous gap in coverage that only specialty insurance policies can close.

How Lenders Were Left Unsecured For Mold-Related Losses On Commercial Loans And How to Fix the Problem

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At the turn of century, the insurance industry was faced with an explosion in “toxic mold” losses. Thousands of plaintiff’s lawyers attended hundreds of “mold is gold” seminars, and by 2002, insurers were desperately looking for a way out of the toxic-mold morass. The insurance industry’s success at eliminating its exposure to mold claims has left borrowers and their lenders uninsured and unsecured for a source of loss that most professional risk-takers considered uninsurable at any price. Borrowers and lenders have affordable alternatives available to them today to manage and insure mold risks. However, in contrast to the insurers, most borrowers and their

lenders have failed to effectively manage mold risks, which are now uninsured.

Insurers Avoid Mold-Related Losses

To deal with the explosion of toxic-mold claims, insurers successfully implemented a drastic mold-risk management strategy. Instead of charging more premium for the new source of runaway claims, insurers chose to avoid their future exposure to toxic-mold losses by eliminating the insurance coverage on them. By issuing tens of millions of “mold-related” exclusions and limitations annually, the insurance

industry successfully pushed mold claims back into the economy as uninsured mold losses. By 2005, insurers had completed their risk management strategy of not paying for mold-related losses in virtually every form of personal lines and commercial insurance, including all-risk property, builders risk, general liability, and professional errors and omissions (E&O) liability policies.

Even some insurance agent's E&O liability insurance policies had exclusions for "mold-related" claims added during this time frame. A mold-related exclusion on an insurance agent's E&O liability insurance policy eliminates the agent's coverage if he or she is sued for leaving customers uninsured for mold-related damages. The insurance community wisely saw that a denied claim on an all-risk property insurance policy, for example, could easily develop into an E&O liability claim against the insurance agent, so some insurers eliminated the "back door" mold coverage on the insurance agent's E&O liability insurance as well.

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Never before in the history of insurance has a single source of loss been abandoned so quickly and across so many different types of insurance policies.

Prior to the introduction of mold exclusions, it is estimated that mold damage claims were costing the insurance industry between \$3 billion and \$12 billion annually. The \$3 billion estimate by the Insurance Information Institute is based on paid mold claims from 2002.¹ The \$12 billion estimate was developed in a three-year study by American Risk Management Resources Network, LLC, and is based on a compilation of data from insurance company testimony to the Maryland Insurance Commissioner, mold claims data from Policy Holders of America, interviews with the American Trial Lawyers Mold Subcommittee, and the insurance applications of hundreds of mold restoration contractors. The \$12 billion estimate includes the toxic-tort bodily-injury claims that

were being filed between 2001 and 2002.² To put mold-related losses into perspective, it is interesting to note that according to the Insurance Information Institute, the total insured loss from fires in 2000 was \$12.6 billion.³

In the final analysis, the insurance industry managed its risk by virtually eliminating insurance coverage across the board on a peril with loss content comparable to fire losses. Insurers did this quietly over a two-year period without reducing their rates. ISO property policy forms commonly offer a \$15,000 sublimit for mold; however, nearly all underwriters of commercial insurance will supersede this sublimit with a mold-related loss exclusionary endorsement. This is particularly common with real estate that underwriters consider high-risk, such as any habitational or public-use buildings.

Lenders Will Absorb Uninsured Losses

With mold-related claims exclusions applicable to virtually all forms of property and liability insurance, insurers will absorb less loss than they have in the past and lenders will absorb more in the form of nonperforming loans on impaired collateral. Tens of millions of mold-related claims exclusions in property and liability insurance policies are certain to have a material financial impact on thousands of people, as well as on lenders. Lenders are nervously waiting for the next shoe to drop as they are slowly discovering the widespread adverse effects of universal mold-related claims exclusions in areas damaged by windstorm and flood. For example, a report issued by the Centers for Disease Control in October 2005 estimates that 46 percent of the 440,000 surveyed homes affected by Hurricane Katrina have visible mold growth.⁴

Mold-related damages to property have not disappeared along with the insurance coverage. New mold-related damages occur every day, even without hurricanes. According to the Institute of Inspection, Cleaning and Restoration Certification, the largest training organization in the world for mold remediators, the number of certified mold-remediation contractors in the United States has actually increased over the past five years. That fact indicates that there is a significant amount of mold-related damage that is no longer insured but is still being incurred on a daily basis. The consensus in the mold-remediation contractor community is that the amount of mold

damages is constant year to year (net of the effect of hurricanes) but that property owners are performing their own amateur repairs (which are inadequate in many cases) to avoid reporting the loss to their insurance company and risking having their property insurance nonrenewed. All of this information points to large amounts of at-risk collateral for lenders, especially if major weather events and loan to value ratios are considered.

Required Insurance Has Gaps

The credit committees of financial institutions universally require all-risk property insurance and commercial general liability insurance on loans secured by commercial property. The universal exclusion of “mold-related” claims in commercial insurance policies, including the all-risk property policy, builder’s risk policy (purchased to cover property damage occurring during construction), and commercial general liability policy, has created a material gap between the insurance required in the loan covenants and the insurance actually being provided by the borrowers.

Unless entities to which loans are given purchase specially adapted environmental insurance covering mold-related damages, including the cleanup of mold and related business interruption expenses, lenders face a much greater risk of default on any property that develops water-intrusion problems and resulting mold that is likely to follow. It is important to note that the lenders who request this insurance are asking the borrower to put them back into the coverage position they were in prior to the introduction of mold-related claims exclusions.

Environmental Insurance Can Plug Mold Coverage Gaps

Affordable solutions to mold-related insurance coverage gaps on commercial property exist within the environmental insurance marketplace, but they are almost never utilized. Developed specifically to address the insurance coverage gaps created by the mold-related claims exclusions in general liability and all-risk property insurance policies, real estate environmental liability (REEL)/highly protected risk (HPR)/mold insurance has been available coast to coast from A+ rated insurance companies for over three years. This unique form of environmental insurance offers building-science-based loss control services

and multi-year policy terms and covers the developer, owners, and the lender’s security interests under one insurance policy. A REEL/HPR/Mold policy insures the cleanup of mold on a no-fault basis, which fills the mold coverage gap in the all-risk property insurance policy. It also provides liability insurance for mold-related damages, which fixes the mold-coverage gap in the commercial general liability policy. Only with a REEL/HPR/Mold policy in place would borrowers be in compliance with a loan covenant requiring all-risk property insurance and general liability insurance if either of those traditional insurance policies contain mold-related claims exclusions.

The universal exclusion of “mold-related” claims in commercial insurance policies has created a material gap between the insurance required and the insurance actually being provided.

Insurance Coverage Gaps for Mold Damages

Because insurers did such a complete job of managing their loss exposure to toxic mold, there is almost a 100 percent probability that every form of traditional insurance backing a security interest in property contains mold-related claims exclusions. For decades, secured lenders have required borrowers to obtain property and liability insurance to protect the lender’s security interest in the property. Lenders consistently outline exactly how this insurance should be provided in the loan covenants. Governmental regulators and credit-rating agencies rely on the underlying insurance on secured loans to evaluate the riskiness of the lending institution or of a portfolio of loans for the securitization market. However, to date, none of the rating agencies or regulators have captured the ramifications of universal mold exclusions. This is most likely due to fundamental confusion about the coverage provided by insurance policies with and without special endorsements excluding mold-related claims.

Virtually all secured lenders require “all-risk” property insurance to protect the lenders’ security interest. These property insurance policies pay for the replacement of the insured buildings and contents that may be damaged by a wide range of insured perils. In contrast to a named perils form of property insurance, which covers specified perils such as fire, lightning, windstorm, civil commotion, aircraft, vehicles, smoke, hail, riot, vandalism, malicious mischief, and explosion, the all-risk property insurance policy is designed to cover all risks of loss except for those risks specifically excluded within the insurance policy form. All-risk property insurance is the broadest type of property insurance available in the insurance market place.

There were ways around the mold exclusions to find coverage. Insurers have acted to close the gaps.

Exclusions in “All-Risk” Policies

All-risk property insurance policies contain exclusions for risks that insurers feel are uninsurable or should be more specifically insured for additional premium. Excluded risks have historically included losses that occur with high frequency or losses caused by the insured’s neglect in maintaining the property.

The traditional exclusion for mold in an all-risk property insurance policy reads as follows:

This Insurance does not apply to loss caused by ... wear and tear, deterioration, rust or corrosion, **mold**, wet or dry rot... (Emphasis added.)

Ensuing Loss Exception

This form of mold exclusion has been in property insurance policies for more than 40 years. It eliminates coverage under the policy where mold was the proximate cause of the loss. The exception to this exclusion has always been understood by insurance professionals to grant coverage for mold if the mold damage “ensues” from a covered cause of loss under the policy. In the past, insurers agreed that if the mold damage resulted from a covered cause of loss (fire

or windstorm, for example) the costs to remediate mold or damages caused by the mold would also be covered, even with the mold exclusion on the policy. Only if mold was the original cause of the loss would the mold exclusion apply.

Efficient Proximate Cause Exception

Other exceptions to the mold exclusion in traditional all-risk property insurance policies come into play as well. The doctrines of “efficient proximate cause” and “concurrent causation” are legal terms used now and in the past to resolve first-party property losses. The efficient proximate cause theory holds that if the efficient proximate cause of the loss is covered, but excluded causes contribute to the loss, the entire loss will be covered.⁵ The efficient proximate cause can be defined as:

...that cause which, in a natural and continuous sequence, unbroken by any new, independent cause, produces the event, and without which that event would not have occurred.⁶

Concurrent Causation Exception

Concurrent causation basically refers to multiple causes of loss that are independent of each other and can be defined as “the action of more than one cause to produce a particular harm or loss.”⁷

Exceptions Lead to New Restrictions

In the simplest terms, although mold has been an excluded cause of loss in all-risk property insurance policies for decades, there were ways around the mold exclusions to find coverage. Insurers have acted to close the gaps.

New Mold-Coverage Restrictions in Property Insurance Policies

The old mold exclusions were not working to prevent insurers from paying billions of dollars out in “toxic-mold” losses. Insurers now issue hundreds of millions of onerous mold-related claims exclusion endorsements each year in order to strengthen their historical mold exclusions. With the new mold-related claims exclusions, insurers have drastically stripped out insurance coverage for all damages in any way related to mold. An all-risk property insurance policy that contains a mold-related claims exclusionary en-

dorsement is not all-risk property insurance and does not comply with an insurance specification requiring all-risk property insurance.

Anti-Concurrent-Causation Exclusions

The new exclusionary endorsements containing “anti-concurrent-causation clauses” wording override other coverages that may be left within the property insurance policy for mold-related damages. The anti-concurrent-causation clauses significantly reduce the scope of insurance coverage provided in property insurance policies for mold damages. A representative anti-concurrent-causation clause provides:

Such loss is excluded regardless of any other cause or event contributing concurrently or in any sequence to the loss.⁸

Mold Exclusions Vary in Scope

Mold exclusions on commercial property insurance policies are not standardized and vary in scope. There are virtually hundreds of different mold exclusions currently in use by property insurers, although their intent universally is to restrict coverage for mold-related damages. A major provider of HPR property insurance is currently adding the following mold exclusion endorsement language to its property policies:

This Insurance does not apply to any “Property Damage” directly or *indirectly* arising out of, caused by, resulting from, *contributed to*, or *aggravated by* any type or form of fungus, including mold or mildew or any mycotoxins, spores, scents, or by-products produced or released by fungi. (Emphasis added.)

Under this exclusion for mold-related damages, the anti-concurrent-causation clause language purports to circumvent the efficient proximate cause arguments for coverage by providing that a loss is excluded if fungus or mold contributes in any way to the loss.⁹ Because this new exclusionary language appears in the policy as an endorsement, it takes precedence over the much shorter exclusion for mold, rot, and inherent vice in the preprinted all-risk property insurance policy form. It is the difference between these two exclusions for fungus or mold losses that creates the insurance coverage

gap today between the insurance specified in the loan covenants and the insurance actually being provided by the borrower.

Impact on Lenders and Insureds

An illustration of the dramatic impact mold-related claims exclusions have on lenders and insureds follows.

Prior to the introduction of mold exclusions, the pollution exclusion in a general liability policy would not have eliminated coverage for products liability or mold as a pollutant.

Assume wind breaks the glass in a hotel and wind-driven rain enters the building. The building’s owner is unable to find qualified contractors, drying equipment, and power within a day. As a result of the wind-driven rain, visible mold growth ensues by the third day, contaminating the entire building. Restoration takes three months to complete. The cost of replacing the glass is \$100,000. The cost to remediate the entire structure, removing and replacing all porous surfaces including the wallboard, carpeting, beds, linens, couches, and drapery, is \$700,000. The business interruption loss is \$700,000.

Under the original mold exclusion in an all-risk property insurance policy, the entire loss of \$1.5 million would be insured because the efficient proximate cause of the entire loss was an insured peril (wind-driven rain). The effect of the new mold-related claims exclusion is to eliminate coverage for everything but the glass because all of the remaining damage was directly or indirectly arising out of, caused by, resulting from, contributed to, or aggravated by mold. The owner of the hotel would likely receive only \$100,000 from its property insurer since all of the other damages were at least “indirectly” “contributed to” by mold.

This claims settlement is not at all what the secured lender had in mind when it required all-risk property insurance to protect its interest in the loan. If the borrower in this case did not have enough cash to cover \$1.4 million of unexpected costs, or if the borrowers net equity position was less than the loss, the lender would be left holding the keys on a property that could very well be worthless. This would be an insurance coverage outcome that banking regulators and rating agencies would not expect, either.

Some of these claims for damages are finding their way back to insurance agents in the form of E&O liability claims.

Coverage Restrictions in General Liability Policies

In addition to all-risk property insurance policies, lenders universally require that borrowers maintain liability insurance to protect against the contingency that the borrower becomes involved with a lawsuit that drains it of assets, with the result that the loan on the secured property cannot be repaid.

Mold Not a Pollutant, But Now Excluded

As have property insurers, liability insurers have issued mold-related exclusionary endorsements across the board. Mold-related claims exclusionary endorsements in general liability policies eliminate coverage for liability arising from the premises, operations, products, and completed operations of the insured. These new exclusion endorsements are much more onerous than the absolute pollution exclusions found in general liability policies for the past 20 years. For example, a lumberyard no longer has products liability coverage for delivering wet building materials to a job site if mold develops at the project that incorporates the wet wood. Prior to the introduction of mold exclusions, the pollution exclusion in an off-the-shelf general liability policy would not have eliminated coverage for products liability or mold as a pollutant. Pollution exclusions were never intended

to apply to mold. Therefore, the new mold-related claims exclusion endorsements in liability insurance policies also create a material deviation from the commercial general liability insurance specified in loan covenants.

Mold-Related Lawsuits

There are thousands of mold-related lawsuits working their way through the court systems today. In most cases, mold-damages litigation in construction is aimed at the building's owner, building products suppliers, all the contractors involved in constructing and maintaining the building, and the property manager. Some of these claims for damages are finding their way back to insurance agents in the form of E&O liability claims for leaving their customers unnecessarily uninsured for mold-related damages.

Recent court decisions bear consideration. The \$22.6 million settlement late last year of a toxic-tort mold claim in California suggests that mold can cause considerable bodily harm and can lead to big settlements.¹⁰ The lumberyard in this case had to pay more than \$10 million in the settlement that would not be covered by a general liability policy with a mold exclusion. In another example, Maine's Supreme Court recently ruled that illnesses caused by mold are scientifically verifiable, which may result in a rise in bodily injury claims from exposure to mold.¹¹

Since insurance coverage for property and liability losses due to mold has not been provided by the vast majority of their commercial borrowers for over two years, it is highly likely lenders will be affected by uninsured mold losses in the near future, especially in hurricane-damaged areas and other states such as California, Arizona, and Nevada that present a high risk of mold-related damage. Although specialized insurance and building-science-based engineering solutions exist to manage these risks for most commercial borrowers, lenders have done little in their lending practices to prevent or control their exposure to mold-related damages by requiring such specialized insurances and loss control services.

Unlike insurers that can manage mold risks by excluding them, lenders will need to manage this risk in their ongoing operations. This can easily be accomplished by intelligent use of the specialized environmental insurance products that are currently available to insure mold-related losses.

Mold-Risk Management Solutions Are Available for Lenders

Several insurers have specialized in offering environmental insurance coverage, including coverage for mold losses. Environmental insurance that fulfills the traditional insurance requirements of secured loans is available in two basic coverage forms. One type of policy, marketed as real estate environmental liability insurance, insures the property itself. Mold cleanup coverage is provided on a no-fault basis, which fills the all-risk property insurance requirement in virtually all loan covenants. This policy form can be utilized on new and existing buildings. The other form, a contractors pollution liability (CPL) policy that has been specifically adapted to address mold as a pollutant, allows contractors to insure the mold loss exposure in new construction. CPL policies insure only against the contractor's negligence. For this reason, a CPL policy does not fill the mold coverage gap in all-risk property insurance

Real Estate Environmental Liability Policies

Properly structured real estate environmental liability policies fill the mold coverage gaps found in both the property and general liability policies. A REEL/HPR/Mold policy will respond to losses arising from costs to remediate mold (first-party cleanup costs) and also provide business interruption and extra expense coverage, which effectively fills the mold coverage gap in all-risk property policies. Additionally, claims brought by persons claiming bodily injury and property damage (third-party losses) are covered, including the cost of defense, which fills the mold coverage gap in the general liability policies.

The REEL/HPR/Mold policy provides a superior risk management solution for developers, owners, contractors, and lenders because it incorporates prefunded building-science-based loss control and business interruption coverage in a multi-year insurance policy that can be assigned without additional premium to the eventual owner of the building after its construction. CPL policies are not assignable to subsequent owners of the property. Assignment of the policy is a very important risk management strategy because it allows access by loss control engineers to the building over the course of the policy term, which can be as long as 10 years.

The REEL/HPR/Mold policy rating factors provide premium discounts for the use of mold-resistant

building materials and the engagement of mold-loss prevention protocols that help offset the additional costs of the preventative products and services in the same way fire insurance premium discounts help offset the costs of sprinklers. A building insured under a REEL/HPR/Mold insurance policy will be a well-managed risk with the incorporation of these and other risk reduction techniques.

Lenders will need to specifically request and verify appropriate mold insurance coverage for all secured loans.

Contractors Pollution Liability Policies

Contractors pollution liability insurance is commonly purchased by contractors performing environmental and mold remediation work but is rarely purchased by firms engaged in traditional construction activities. With the advent of universal mold-related claims exclusions, the vast majority of contractors are completely uninsured for mold losses today. Evaluating a contractor's loss exposure to mold losses is not difficult. Some examples are extremely easy. For example, what damage does a roofer's work cause if it is defective? Is the claim likely to be related to mold and therefore excluded? Any contractor that constructs or works in buildings occupied by people now needs specially modified contractors pollution liability insurance to cover the mold-loss exposure within its operations.

Both CPL and REEL insurance are available today from top-rated insurers. However, because real estate environmental liability and contractors pollution liability insurance was originally developed for hazardous waste firms in the 1980s before mold was a pollutant of concern, most of these insurance policies need significant modifications to insure mold-related loss exposures.

Environmental Insurance Meets Risk Management Goals

By simply asking for environmental insurance to fill the mold coverage gaps in the insurance policies

Exhibit 1

Sample Mold Coverage Request*

Insurance coverage for mold-related damages is required in both the property and liability insurance coverage specified in the above sections [of loan covenant documents]. If the required insurance policies above contain mold and fungus exclusionary endorsements, the exclusions must be specifically notated on the certificate of insurance and copies of the exclusions should be provided to this office along with the certificate of insurance.

- If mold exclusion endorsements are in place in the above specified insurance policies, the borrower shall provide an environmental liability policy on the secured property with the following coverage parameters.
 1. The policy shall specifically insure mold as a covered pollutant.
 2. The policy shall provide first-party cleanup and restoration as a result of mold-related damages.
 3. The policy shall provide for extra expenses as a result of a covered loss.
 4. The policy shall provide third-party liability coverage for bodily injury, property damage, and defense costs.
 5. The policy will have a self-insured retention of no more than \$xxx,xxx.
 6. The policy will list the lender as a loss payee and additional insured.
 7. The policy term shall be equal to the term of the loan if commercially available, but for not less than two years.
 8. The policy shall have a limit of liability of at least \$1,000,000.
- If contractors pollution insurance is utilized to insure new construction, the policy shall meet the following requirements.
 1. The policy shall specifically insure mold as a covered pollutant.
 2. The policy shall provide first-party no-fault cleanup and restoration.
 3. The policy shall provide third-party liability coverage for bodily injury, property damage, and defense costs.
 4. The policy will have a self-insured retention of no more than \$xxx,xxx.
 5. The policy will list the lender as additional insured.
 6. The policy term shall be equal to the term of the loan if commercially available, but for not less than three years.
 7. The policy shall not contain exclusions for:
 - a) property damage to your work,
 - b) materials supplied or handled by the insured,
 - c) damage to impaired property,
 - d) work performed by subcontractors, or
 - e) have any separate limitation for completed operations outside of the policy term or extended discovery period.
 8. The policy shall have a limit of liability of at least \$1,000,000.

Lenders need to be aware that the limits requested will vary by the size of the loan. However, policy limits in excess of \$10,000,000 may be difficult to obtain.

*Disclaimer: The above insurance specifications should be used only as a reference. Because loan covenants and the underlying insurances provided by borrowers vary a great deal, it is highly recommended that a credentialed environmental insurance professional review the insurance on each loan before implementing these suggested requirements or accepting any insurance policy as fulfilling these requirements. A trained and credentialed environmental insurance professional can usually make a determination of compliance within a few minutes if he or she has been provided the proper documentation. Lenders should be aware that environmental insurance policies are not subject to rate and form regulation by state insurance commissioners and the words "environmental insurance" do not appear in insurance agent licensing exams. There are more than 100 different environmental insurance policies available for purchase today. Most do not fulfill the insurance needs of borrowers and lenders for mold damages. Therefore, seeking out specialized expertise in environmental insurance is critical to building an effective mold risk management program for the borrower and lender.

required in their original loan covenants, lenders accomplish three very important risk management objectives.

- First, the borrower will have insurance coverage for mold-related losses as originally specified in the loan covenants.
- Second, by requiring appropriate insurance coverage for mold, the lender ensures that each property will be examined by insurance underwriters who have access to highly refined mold-risk evaluation protocols, including a thorough risk evaluation of the property, water-intrusion loss control protocols, and loss history of the applicant.
- Third, the overall risk of issuing a loan on the property is reduced by environmental insurance that insures not only against mold but also against losses arising from all other pollutants as well. These insured loss exposures can include sick building syndrome, asbestos, lead, and pollution losses from underground contamination.

How To Ask for Appropriate Mold Coverage

It is a virtual certainty that all the insurance policies provided by borrowers will have severe limitations for mold-related claims. History proves that insurance agents and borrowers will not be forthcoming in disclosing mold exclusions in the certificates of insurance they provide. Therefore, lenders will need to specifically request and verify appropriate mold insurance coverage for all secured loans in order to have to have any confidence that their security interest is properly insured.

To assure that the lender is actually insured for mold-related damages, the request for mold coverage on collateral needs to be integrated into the other loan covenants. It is important to note that the mold coverage in the insurance specifications in Exhibit 1 is designed to put the borrower and lender back into the insurance position they were in prior the introduction of mold exclusions. The sample in Exhibit 1 is designed for commercial loans.

Conclusion

The success of the insurance industry in managing its mold-loss exposure has made it more difficult for borrowers and lenders to manage theirs. Fresh from its experience with asbestos and super-fund claims, once the insurance industry identified the loss potential from toxic mold losses, it moved at record speed to exclude mold losses in all forms of prospective insurance coverage.

As a result, borrowers and their lenders are now left uninsured and unsecured for a peril that has proven to make buildings valueless and create toxic-tort liability claims measured in the tens of millions of dollars on individual properties on a relatively frequent basis. Today, few borrowers and lenders have taken advantage of the full array of risk management options available to them.

Risk avoidance is not a risk management alternative for lenders because, to avoid mold risks, they would need to stop lending money, and this is not an option on existing loans. Therefore, lenders will need to rely on risk identification, loss prevention, and innovative environmental insurance products to manage their mold-related loss exposures. Lenders also need to specifically address mold-loss exposures in their insurance requirements in order to close the coverage gap between the insurances they ask for in the loan covenants and the coverage actually being provided by borrowers and their insurance agents.

Endnotes

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David Dybdahl, CPCU, ARM, MBA, is widely recognized for his expertise in the area of environmental risk management.

He has served on the U.S. Environmental Protection Agency's Contractor Indemnification Technical Review Panel and provided technical information on environmental insurance issues to the U.S. Department of Defense and Department of Energy. In his 25-year career, he has successfully placed insurance programs on many of the world's toughest environmental risks, including developing the first environmental insurance policies for Superfund contractors, placing the first wrap up insurance programs on the U.S. Department of Energy's nuclear weapons facilities at Hanford, Washington, and Oak Ridge, Tennessee, and insuring the remediation of Chernobyl. He is a frequent speaker and has published numerous articles in journals and textbooks. Dybdahl is the contributing author on environmental risk management and insurance in the prestigious CPCU and ARM professional designation courses and the professional errors and omissions loss control manual for the Independent Insurance Agents and Brokers of America. Dybdahl can be reached at dybdahl@armr.net.

About American Risk Management Resources Network, LLC

The American Risk Management Resources Network, LLC is a wholesale insurance brokerage firm specializing in environmental insurance placements. Armr.net staff has authored the environmental insurance and risk management texts for the prestigious Chartered Property and Casualty Underwriter (CPCU) and Associate in Risk Management (ARM) professional designations. ARMR.net staff also contributed to the environmental and mold professional liability risk management course for the Independent Insurance Agents and Brokers Association of American. ARMR's senior brokers all have more than 14 years of experience in environmental insurance. Their expertise and experience helps ARMR develop insurance solutions for the more complex transactions such as mergers and acquisitions, insurance fixed-price remediations, loss portfolio buy-outs, and brownfield remediations and to develop insurance programs for tough-to-place classes of business such as restoration contractors. For more information on mold insurance and risk management alternatives, see www.armr.net. For information on the REEL/HPR/Mold insurance product, see www.armr.net/reel.html.