



7 Deadly Endorsements of Contractor's Liability Insurance

Deadly Endorsements

Endorsement #5 - The CG 21 49 – Total Pollution Exclusion

The standard Pollution Exclusion exists in most general liability policies. The standard liability policy excludes bodily injury or property damage losses arising out of the release of pollutants, but there are exceptions to this exclusion.

- For your building:
 - **Heating equipment**- there is still coverage for bodily injury resulting from the release of smoke or toxins caused by the equipment used to heat your building.
 - **Owner named as an additional insured**- as an insured contractor working at your customer's building, there is coverage for both bodily injury and property damage resulting from the release of pollutants ONLY if the customer is named as an additional insured on your insurance policy.
 - **Hostile Fire**- In case of a hostile fire, there will be coverage for bodily injury and property damage from the smoke or fumes.
- Not in your building:
 - **Mobile equipment**- there is coverage for the discharge of chemicals from your mobile equipment such as fuel and motor oil.
 - **Operations within a building**- if you take materials into a building that release toxins or fumes causing bodily injury or property damage, there is coverage as long as the damage or injury happened inside the building.
 - **Hostile Fire**- In case of a hostile fire, there will be coverage for bodily injury and property damage from the smoke or fumes.

By now you're thinking that there is essentially a lot of coverage with all these exceptions. **So what is the Total Pollution Exclusion and what is the big deal?** Simple, all the exceptions are removed and the standard pollution exclusion is replaced.

Pollution losses can be very expensive and with a big pollution loss, you are at a high risk of going out of business if you don't have the adequate coverage.