

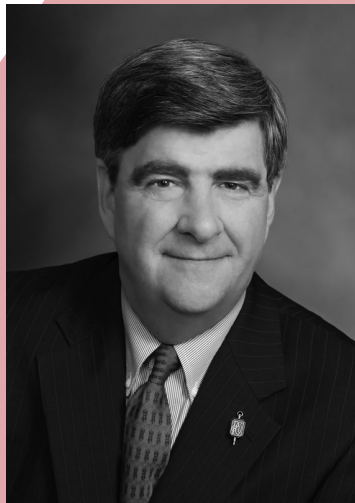
SOLUTIONS FOR...

ENVIRONMENTAL RISKS

Agility and solid working relationships allow ASI to offer its clients a chance to capitalize on opportunities ahead of other competitors.

American Risk Management Resources Network, LLC (ARMR.net) and ASI developed an environmental insurance policy to protect owners faced with potential liabilities from defective drywall manufactured in China and imported to the United States since 2001. How did they beat the market by more than a year?

ARMR.net recognized that a residential property found to contain contaminated dry wall is instantly worth a fraction of the cost spent to build it. There are tens of thousands of such properties in the United States. Homes neighboring these houses could be challenged to obtain loans, given the stigma of this defective drywall in the neighborhood. The first call made from ARMR.net, upon identifying the need in the market caused by homeowner policies' defective building materials exclusions, went to ASI.



Dave Dybdahl, CPCU, ARM
President, ARMR.net

"Within weeks we were visiting a contaminated property in Miami," says ARMR.net's Dave Dybdahl. "We went to south Florida four times in four months to get the 'ground truth' – what was actually going on. We talked with contractors and property owners who were going through the problems. Armed with the information, we were able to design an insurance program with ASI."

What was happening on the ground? The stigma associated with Chinese drywall was adversely affecting property owners in two ways. First, if one home has contaminated drywall, all of the homes in the neighborhood may have trouble finding bank loans. Second, even if a property has contaminated drywall removed, the stigma associated with prior contamination may make it impossible to get a loan on or sell the property.

The technical solution to the drywall problem was a testing protocol that would make the properties that tested free of contaminated drywall insurable. The financial solution to both problems was the ASI Environmental Warranty insurance policy which will pay to remediate properties of contaminated drywall and other indoor air pollutants discovered during the policy period.

"What's so impressive about ASI is its short, but thorough, approval process with not a lot of levels of management," he says. "My day-to-day contact at ASI is the decision maker. With ASI, we co-create products that include big elements of risk engineering and loss control."

For additional information in ASI's environmental insurance capabilities, contact us at 1-800-388-3647 or visit www.amsafety.com/environmental.

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