cc: WEF, PTM

brand

the brand
companies, inc.

April 18, 1989

Ms. J. B. Spencer
Chrysler Motors
Corporate Purchasing
30500 Northwestern
Farmington Hills, Michigan 48018

REFERENCE: Asbestos Specific Liability Insurance Update

Dear Ms. Spencer:

Recently, Brand Asbestos Control Co., Inc. (BASCO), one of The Brand Companies, submitted a bid to do the asbestos removal work at your main plant in Kenosha, Wisconsin. Included in our bid package was detailed information on our insurance coverages. Specifically, there was information on our asbestos specific liability insurance.

On April 14, 1989, The Brand Companies' asbestos liability insurance carrier changed to National Fire & Marine Company, an A+ IX Best-rated carrier. The insurance remains written on an occurrence form, with no sunset clause. This new coverage will apply to work performed by BASCO at your Kenosha, Wisconsin facility.

Attached is some pertinent information on this change. If you have any questions, or need additional information, please give me a call.

Sincerely,

Richard F. Rapacki

Richard F. Rapacki
Regional Sales Manager

RFR/jf

Attachment

RECEIVED
RECEIVED
APR 21 1989
APR 20 1989
AM PM
7 8 9 10 11 12 1 2 3 4 5 6
EXECUTIVE DEPT.

1420 renaissance drive, park ridge, illinois 60068
(312) 298-1200 fax (312) 298-1208

brand

the brand
companies, inc.

DATE: April 1989

TO: The Brand Companies'
Asbestos Abatement Clients

SUBJECT: IMPROVEMENTS TO ASBESTOS LIABILITY INSURANCE PROGRAM

The Brand Companies, Inc. has an asbestos liability insurance program that is unique in the asbestos abatement industry. Brand will provide insurance for our clients that is superior to coverage available elsewhere in the asbestos abatement industry. As is our practice, we will continue to name the client as an additional insured.

The domestic and overseas insurance markets currently do not provide coverage of asbestos-related personal injury claims in the amount and of the quality sought by Brand's major corporate clients. For the benefit of our clients, Brand has arranged a $5 million asbestos liability insurance program with National Fire & Marine Insurance Company. This insurance is written on an occurrence form, with no sunset clause. National Fire & Marine is an A.M. Best-rated A+IX carrier, which is part of Warren Buffet's Berkshire Hathaway Insurance Group.

This policy is the only one of its type underwritten by National Fire & Marine, and is the result of the company's careful study and level of satisfaction with the Brand group of companies. The following briefly outlines the policy's nature and extent, and its relationship to Brand's conventional comprehensive general liability insurance.

Brand has, of course, taken out conventional broad-form comprehensive bodily injury and property damage liability policies with limits in excess of $5 million per occurrence/aggregate. Those policies, following current insurance industry practice, contain exclusions for asbestos hazard liability. The National Fire & Marine liability policy closes that gap by providing the same broad-form bodily injury and property damage liability coverage, on an occurrence-based form with no sunset clause, but without an asbestos liability exclusion. To avoid redundancy of coverage, the National Fire & Marine policy will not cover claims covered by Brand's conventional liability insurance. The end result is coverage of all third-party personal injury claims, within policy limits.

In short, the National Fire & Marine insurance policy has been structured to provide Brand and our clients with meaningful protection from potential claims associated with asbestos-related diseases, which may be filed by workers, building occupants, business invitees and the general public during the decades following asbestos abatement in a client's facility.

In addition to insurance coverage, Brand typically provides contractual indemnity against the consequences of its negligence, and typically bears the costs of defense against such claims.

Asbestos Abatement Coverage:

$5,000,000 per occurrence on an occurrence form
$5,000,000 aggregate
No sunset clause

Carrier:
National Fire & Marine Insurance Company
c/o Alexander and Alexander
2 Embarcadero Center
San Francisco, California 94111

Sample copies of Brand's certificates of insurance for asbestos abatement liability, workers' compensation/bodily injury and third-party property damage coverage are available upon request.

Sincerely,

Alvin K. Eaton
President

CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY): — — 89

PRODUCER

Alexander & Alexander of California, Inc.
Two Embarcadero Center
P. O. Box 3803
San Francisco, CA 94119
(415) 434-1500

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

COMPANIES AFFORDING COVERAGE

COMPANY LETTER A	National Fire & Marine Insurance Co.
COMPANY LETTER B	
COMPANY LETTER C	
COMPANY LETTER D	
COMPANY LETTER E	

INSURED

The Brand Companies, Inc.
Park Ridge, Illinois
(and subsidiaries)

COVERAGES

THIS IS TO CERTIFY THAT POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS, AND CONDITIONS OF SUCH POLICIES.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	ALL LIMITS IN THOUSANDS
	GENERAL LIABILITY COMMERCIAL GENERAL LIABILITY CLAIMS MADE / OCCURRENCE OWNER'S & CONTRACTOR'S PROTECTIVE				GENERAL AGGREGATE $ PRODUCTS-COMP/OPS AGGREGATE $ PERSONAL & ADVERTISING INJURY $ EACH OCCURRENCE $ FIRE DAMAGE (ANY ONE FIRE) $ MEDICAL EXPENSE (ANY ONE PERSON) $
	AUTOMOBILE LIABILITY ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS SAMPLE HIRED AUTOS NON-OWNED AUTOS GARAGE LIABILITY	SAMPLE	SAMPLE	SAMPLE	CSL $ BODILY INJURY (PER PERSON) $ SAMPLE BODILY INJURY (PER ACCIDENT) $ PROPERTY DAMAGE $
	EXCESS LIABILITY OTHER THAN UMBRELLA FORM				EACH OCCURRENCE $ / AGGREGATE $
	WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY				STATUTORY $ EACH ACCIDENT $ DISEASE-POLICY LIMIT $ DISEASE-EACH EMPLOYEE
A	OTHER (*) Asbestos Liability	SGL 820009	4/14/89	Until Cancelled	5,000 per/occ/AGG**

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/RESTRICTIONS/SPECIAL ITEMS

** Allocated Loss Expense Included with Policy Limit

McGCon 200695

CERTIFICATE HOLDER

Certificate Holder as additional insured as respects liability arising from (The Brand Companies) performance for work described above (*).

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

Alexander & Alexander of California, Inc.

