

# TECHNICAL ADVISORY

## INDEPENDENT INSURANCE AGENTS OF LOUISIANA

TA 106

June 18, 1997

**SUBJECT: POLLUTION EXCLUSION**

**BACKGROUND:** Few issues in Property & Casualty insurance present greater complexity and more controversy than the pollution exclusion. From the "sudden and accidental" language introduced in the 1973 CGL, to the "absolute pollution exclusion" of recent times, clarity and consensus has proved an elusive goal, complicated by all manner of litigation.

**MAIN POINTS:** The Louisiana Department of Insurance did a three-year review of the subject, and has just released a very important report and analysis.

**Click here for LDOI Advisory Letter 97-01, which outlines the findings and conclusions of the Department's review of the pollution exclusion.**

**Note on the last page of the Advisory the 4-part "test" that the Department of Insurance advises insurers to use in dealing with pollution claims.**

### **NECESSARY**

**ACTION:** Circulate this Technical Advisory and the Department of Insurance Advisory Letter 97-01 to all agency staff who deal with liability insurance.

Watch for further updates on pollution. ISO has filed a series of Homeowners endorsements on pollution, to be effective August 1, 1997.