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Finding Gold In Discarded Policies

Policy Find Works With Several Denver Firms

By Neela Eyunni
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DENVER — Archeologist David O'Neill meticulously sifts through historical artifacts in an attempt to reconstruct the past. O'Neill, however, isn't searching for fossils or prehistoric creatures. Instead, he's looking for old insurance policies.

O'Neill is the director of Policy Find, an insurance "archeology" firm that recovers lost insurance policies to provide indemnity for clients struggling with long-term claims.

Various state courts have evolved to revive general and product liability insurance policies that were once considered expired, said O'Neill.

"These lost or discarded policies have the potential to fund costly environmental investigations or pay product liability defense costs, often saving corporate and small business policyholders from economic ruin," he said.

Attorney John Fognani of Fognani and Fought, PLLC in Denver said having possession of policies and being able to determine the type of insurance coverage is essential to structuring a case, especially for legacy liability claims.

The problem arises as policyholders discard these valuable papers, thinking they're expired and worthless.

"What people don't realize is that their policies can be worth millions of dollars," said Steve Henshaw, president and CEO of Policy Find.

In addition, insurance agencies are not required to keep old records. Policies that are in their possession may be just as difficult to obtain, as many insurance companies refuse to give out copies without a policy number and description, said O'Neill.

Luckily for Policy Find's clients, O'Neill has more than 15 years of experience in insurance archeology and will do almost

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anything, including dumpster diving, on his quest to retrieve policies. From banker's boxes overrun by lizards to the Queen Mary luxury liner, O'Neill said he has found policies in the most unlikely of places.

After graduating from Case Western Reserve Law School, O'Neill stumbled into insurance archeology when he worked for the EPA doing investigations on behalf of insurance companies.

The work of insurance archeology cannot only prove existence of insurance, but can also cover legal fees and the cost of investigation, however unusual it may be, said Henshaw.

Policy Find specializes in turning environmental liabilities into assets. Since environmental claims don't carry a statute of limitations, people who haven't owned a business for decades can still be liable for damages, said O'Neill.

Denver attorney Damian Arguello of Davis Graham and Stubbs LLP turned to Policy Find when his client, a machinery manufacturer, became the target of environmental enforcement action by state environmental agencies.

"Policy Find reviewed independent external sources and was able to locate complete policies in effect during the 1950s and secondary documentation of policies in effect during the 1960s," said Arguello.

Dry cleaners facing suits for environmental contamination are Policy Find's largest client base. In 1980, Congress passed the Comprehensive Environmental Response,

Compensation, and Liability Act, requiring anyone responsible for polluting the land or water in the U.S. to pay for the removal of the pollutants. For dry cleaners, having Policy Find locate old insurance policies can be particularly cost beneficial because general liability insurance policies, which date back prior to 1986, cover pollution.

The average cost of environmental cleanup is about a \$250,000, compared to Policy Find's typical investigation fee of around \$9,000, said O'Neill.

The archeological firm also frequently searches for policies associated with asbestos lawsuits. More recent areas of liability include silica dust and manganese welding rods, said Henshaw.

Policy Find was created after its parent company, EnviroForensics, began receiving demands from a wide range of organizations trying to track down their old policies. Today, Policy Find has been called upon by Catholic archdioceses to locate policies about physical and sexual abuse. Although the firm was created as a resource for policyholders, insurance companies have also sought out their services.

However, O'Neill said his most gratifying cases are those where he can help families avoid passing on financial burdens to their children.

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