

File No. 99999

January 29, 1959

Mr. Raughley L. Porter
Building Inspection Engineer
Municipal Building
Baltimore - 2, Maryland

Re: Contract - Roofing and Sheet Metal Work
on Welfare Building, 1500 Greenmount Ave.
Job No. 2058

Dear Sir:

Reference is made to your letter requesting advice as to whether the exclusion clause in Policy #30 C 601428, issued by the Hartford Accident and Indemnity Company to Keyser Roofing Co., covering liability for work being done on the Welfare Building, renders the policy unacceptable to the City.

The Specifications, Sec. 29, require the contractor to present to the City liability insurance in the amount of \$100,000 for injuries sustained by one person, \$300,000 for injuries sustained by two or more persons and \$100,000 for property damage. The Hartford Accident and Indemnity Company executed a liability policy in this amount and attached to the policy an exclusion clause, which appears to be complicated and a part of their authorized policies. We feel that the interpretation of the liability insurance policy places the burden on the insurance company in proving that the exceptions in the policy are not so exclusive as will defeat the purpose for which the City requires the said policy.

29 American Jurisprudence 47, Sec. 3:

"Insurance has consequently been defined, by statute in some jurisdictions, as a contract whereby one undertakes to indemnify another against loss, damages or liability arising from an unknown or contingent event."

The paramount principle in construction of insurance contracts is that intention of the party must give as much effect as possible. In this particular case, Mr. Harvey, of the Bureau of Building Inspection, notified the Hartford Accident and Indemnity Company of the fact that this exclusion clause was not satisfactory