

[Company Letterhead / Sender Address]

[Date]

[Recipient Name]

[Recipient Title]

[Recipient Company]

[Recipient Address]

RE: Environmental Indemnification Advisory - [Project Name/Site Address]

Dear [Name],

In anticipation of the acquisition of the brownfield site located at [Address/Parcel Number], we are providing this formal advisory regarding the necessary environmental indemnification framework required to manage identified and latent liabilities.

Based on the [Phase I/Phase II] Environmental Site Assessment (ESA) dated [Date], the following conditions have been identified:

- [Description of known contamination or Recognized Environmental Conditions]
- [Status of existing remediation systems, if any]
- [Presence of hazardous materials or underground storage tanks]

To mitigate the risk associated with these conditions, the acquisition agreement should include, at minimum, the following indemnification protections:

1. **Pre-Existing Condition Indemnity:** The Seller shall remain liable for all costs associated with contamination occurring prior to the closing date.
2. **Regulatory Compliance:** Indemnification against fines, penalties, or mandatory remediation orders issued by federal, state, or local environmental agencies.
3. **Third-Party Claims:** Protection against bodily injury or property damage claims brought by third parties related to historical site use.
4. **Duration of Indemnity:** A survival period for environmental representations of no less than [Number] years.

We further recommend the procurement of Environmental Impairment Liability (EIL) insurance to supplement the contractual indemnity. This will provide a secondary layer of protection in the event of Seller insolvency or the discovery of unknown "new" conditions post-closing.

Please ensure your legal counsel reviews the specific language of the Environmental Indemnity Agreement to align with the technical findings of the ESA. We are available to review the final draft of the indemnity clauses to ensure they adequately cover the technical risks identified.

Sincerely,

[Signature]

[Name]

[Title]

[Department/Firm Name]