

Wrong place, wrong time!

Be ready when life happens. These industry-trend situations illustrate the variety of environmental exposures that could affect your customers!



PFAS: Due to the recent high profile of this class of chemical, many municipal water systems in the United States are continually testing for PFAS in drinking water. A small town found elevated levels in several sentinel wells and began investigating potential upgradient sources. A local industrial park partially upgradient from the water supply was being investigated as a possible source. Later, a Notice of Responsibility was issued which formalized the investigation and required the industrial park to retain an environmental consultant and approved Licensed Site Professional (LSP) to initiate a costly investigation in response to regulators. If the industrial park is identified as a source of PFAS, it will require extensive additional investigation and remediation costs.



Amazon-Effect: Looking to expand their logistical operations, an e-commerce company purchased a large piece of property that seemed suitable for redevelopment into a warehouse. Prior to their purchase, the company went through proper due diligence and conducted a Phase I site assessment. The Phase I did not note any known contamination onsite, but as the company began construction, they discovered petroleum contamination from an unknown heating oil tank. As a result, construction halted, and the company incurred remediation expenses.



Mold: Due to mandatory shutdowns, an office building was left vacant for an extended period of time. During this closure period, a particularly heavy storm caused rainwater to gather on the roof. Since the office building was not properly maintained during closure, the roof drain clogged and caused water levels to rise which then entered the drywall behind a stocking shelf in the office. Over time, mold began to grow and was not discovered until odors were noticed by employees after returning to the office. This resulted in costly cleanup and the potential for bodily injury claims.

Industry Trends 2021 Claims Scenarios



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AM Best rating affirmed December 3, 2021. The above claim scenarios are provided to illustrate the variety of potential environmental exposures faced by your clients. The facts of any situation which may actually arise and the terms, conditions, exclusions and limitations in any policy in effect at that time are unique. Thus no representation is made that any specific insurance coverage applies to the above claim scenarios.

Coverage description is summarized. Refer to the actual policy for a full description of applicable terms, conditions, limits and exclusions. Policies are underwritten by Great American Insurance Company, an authorized insurer in all 50 states and the DC and Great American E&S Insurance Company, an OH domiciled surplus lines insurer eligible to underwrite surplus lines insurance in all 50 states and the DC. This is not intended as a solicitation or offer to sell an insurance product in a jurisdiction in which the solicitation, offer, sale or purchase thereof would be unlawful.
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