

Closure and Post-Closure Financial Assurance Policy

What is Closure and Post-Closure (CPC)?

CPC coverage is a guarantee that funds are available to pay for CPC costs associated with regulated waste units in the event the insured is not financially viable. These units include landfills, surface impoundments, treatment facilities, storage facilities, etc.

As a financial assurance mechanism for certain classes of regulated solid and hazardous waste facilities, it is also needed to comply with various federal and state regulations.

In addition to these waste classes, Great American's coverage can also be written for plugging and abandonment of injection wells and corrective action costs at facilities undergoing remediation in certain jurisdictions.



Regulatory Requirements

CPC requirements can be found in the Resource Conservation and Recovery Act (RCRA), Toxic Substances Control Act, and related state versions of these regulations.

Several mechanisms can be used to demonstrate compliance with these regulations including:

- Letter of credit
- Bond
- Trust agreement
- Financial self-test
- Insurance

**Today, insurance is an accepted
CPC mechanism in most states.**

Policy Benefits

- Allows for payments directly to the regulatory agency for a full or partial closure and/or post closure costs.
- Pays on behalf of the Insured. *(The Company can deal directly with the regulatory agency on behalf of the Insured)*
- Modified cancellation provisions to comply with the financial assurance regulations.
- Assists the Insured in meeting its financial assurance obligations.



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Underwriting Contact

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Policy Features

- Policy is subject to a Guaranty Agreement
- \$15,000 targeted minimum premium
- \$50,000,000 maximum limit per policy; no minimum limit (*Separate limits can apply to each coverage part*)

Great American has limits capacity up to \$50,000,000 per policy and/or per facility. For Insureds with higher limit needs due to multiple facilities requiring coverage, multiple policies can be written to cover the obligations on a state-by-state or even facility-by-facility basis.

- One (1) year policy term
- Covered locations in US
- CPC coverage from Great American can be written on admitted or non-admitted paper, depending on individual state regulations.

Great American writes coverage on an annual term as CPC amounts are adjusted annually for inflation or changes at the Covered Location.

Submission Requirements

In order to consider a submission for coverage, Great American Environmental needs the following information:

- Completed GAIG CPC Supplemental Application.
- Copy of approved Closure/Post-Closure Plan including the amount of the financial assurance obligation.
- Last two (2) year of audited financial statements and/or 10-K report from the Insured.
- Other technical data and information that may be requested to understand the risk.

Why Great American Environmental?

Great American Environmental's team of CPC underwriters have a combined 100+ years of experience providing this coverage.

Great American has the ability to craft manuscript policy language to comply with various Federal and State regulations in consultation with government regulators, if needed.

The Environmental Division's dedicated focus on service ensures that required certificates are issued correctly and on a timely basis to comply with regulatory agency requirements.

CPC coverage can be offered on a "mono-line" basis without other insurance lines required. Other pollution coverages can also be considered if requested.

The team utilizes a streamlined underwriting process in which all authority rests exclusively with the Environmental Division.

Great American Insurance Company is rated "A+" (Superior) by AM Best. In tough financial times, insureds need to rely on their insurer and Great American Insurance Company has been rated "A" (Excellent) or better by AM Best for over 110 years.

Great American
Insurance Company

110+ years
with an **A** or better
rating by
AM Best

Corporate Headquarters

301 E. Fourth Street
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AM Best rating affirmed October 28, 2020. Great American Insurance Group, 301 E. Fourth St., Cincinnati, OH 45202. 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. ©2021 Great American Insurance Company. All rights reserved. 5488-ENV (02/21)