

Great American Success Stories

Buying into a Regional Issue

Great American was successful in providing the Premises Environmental Liability coverage for the new buyer of an office property. The building was located within the larger footprint of a National Priority List (NPL) site that had been impacted by historical groundwater contamination. The buyer was seeking coverage to protect their interests, should they ever be required to contribute to the regional clean-up effort as a land owner. Also of concern were claims from tenants for bodily injury or property damage due to the known contamination.

Great American worked with the insured's broker to evaluate the impacts at the site as well as historic indemnity agreements available to the site owner. After the evaluation, Great American wrote a 10-year policy without exclusions for the known contamination. The policy was structured such that coverage for the known contamination is subject to an indemnity trigger. If the entity responsible for the regional contamination should fail in their indemnity to our insured, the insurance coverage could be triggered.

Lender Requires Coverage

The insured was purchasing adjacent parcels that included an older retail center and a former school. The plans were to redevelop the site into a mixed commercial and residential complex. At the last moment, insurance was required to address the lender's concerns with potential bodily injury and cleanup costs arising from historical site activities, including a leaking Underground Storage Tank (UST).

Great American worked with the insured's broker to provide historical and new (operational) coverage for bodily injury, property damage and cleanup costs. The UST was a known issue to be addressed by a separate escrow, so cleanup coverage was structured to provide for future regulatory reopener actions. There were no coverage limitations for bodily injury or property damage. In addition, the lending institution was specifically added to the policy as an Additional Named Insured.

Quick turnaround by the broker and Great American kept the closing on schedule.



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Electronics Recycling Facility Expansion

Some components within electronic equipment contain regulated hazardous materials and need proper care when being recycled or retired. Materials such as chromium, cadmium, mercury and nickel commonly recovered during recycling may present health and environmental threats. Many states now require recycling and disposal facilities to prove that funds are available to address any pollution related third party property damage and bodily injury, as well as cleanup costs.

Great American Environmental Division was approached by a broker representing a computer equipment recycling company that was in the process of expanding its operations. As a requirement of its revised permit, the company was required to provide evidence of pollution coverage.

Great American worked with the broker to assess the facility for environmental insurance purposes. As a result, a Premises Environmental Liability Insurance Policy was issued covering new and pre-existing pollution conditions. Coverage contemplated third party bodily injury and property damage and clean-up costs for a one-year term. Policy limits matched those required by the regulatory agency. Great American was able to provide the necessary liability certification enabling the facility to receive its expansion permit.

The Environmental Division's core products and services enable businesses to effectively and efficiently manage risks that can threaten their financial security.

Great American
Insurance Company

100+ years
with an **A** or better
rating by
A.M. Best

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