

# Chubb's Environmental Line of Business

With heightened societal awareness of environmental hazards and their impacts, and continually evolving regulations, the potential for pollution-related claims is a concern for many organizations. Businesses of all sizes face emerging and often unrecognized environmental risks from their daily operations. A material does not have to be hazardous in nature for its release to be considered a pollution condition and the consequences of an incident can be severe — including costly clean-ups, lawsuits for third party bodily injury and/or property damage, regulatory fines & penalties, and lasting reputational damage. By investing in a Chubb pollution liability policy, an insured can help mitigate these risks, protect their hard-earned reputation, and better absorb the financial burden of loss without compromising long-term sustainability.

## Key Highlights

- Broad risk appetite, insuring risks ranging from a single office building to a large multinational conglomerate with complex exposures
- Experienced technical staff of environmental underwriters, claims personnel, legal counsel and risk consulting experts who understand environmental exposures, laws and regulations
- Comprehensive coverage forms with an extensive endorsement suite that allows for easily customizable policies
- **Environmental Incident Alert<sup>SM</sup>**: a complementary technology platform available to clients to assist them find and dispatch qualified incident response contractors, monitor cleanup costs, and mitigate environmental liability. Utilizing this technology constitutes reporting a claim to Chubb.
- **Tree Planting**: Chubb partners with The American Forests' Global Releaf Program to plant a tree for each pollution liability policy issued globally.
- **Product Offerings**:
  - **Premises Pollution Liability (PPL)** offers property owners, operators, managers, and lessees first-party and third-party environmental liability protection for covered locations on a scheduled or blanket basis
  - **Contractors Pollution Liability (CPL)** offers contractors environmental liability coverage that addresses the most common contractual requirements on either a practice or project-specific basis
  - **Contractors Pollution Liability with Errors & Omissions (CPLEO)** offers combined coverage for pollution and professional liability exposures, thereby reducing potential coverage gaps and avoiding multiple premium payments for separate policies
  - **TankSafe<sup>®</sup>**: is an internet-based rate, quote, bind system for underground and aboveground storage tanks that makes issuing admitted policies and obtaining financial responsibility certificates easy and efficient

## Target Classes

- General contractors
- Trade contractors
- Project owners
- Commercial real estate
- Mixed use real estate
- Property managers
- Light/heavy industrial
- Manufacturing
- Financial institutions
- Chemical risks
- Petroleum distributors
- Logistics/transportation
- Healthcare
- Life sciences
- Higher education
- Public entity
- Private equity
- Global operations

## World Class Services Offerings

- Ability to provide multinational insurance for worldwide environmental liabilities arising from foreign operations and subsidiaries.
- Superior claims service with knowledge of complex environmental loss events
- Chubb Risk Consulting services available to help clients identify, prevent and mitigate environmental risks. Common offerings include mold and legionella awareness training, development of asbestos and lead-based paint operations & maintenance plans, suggestions for strengthening existing protocols, and more.
- 24/7/365 access to Environmental Incident ALERT<sup>SM</sup> technology

## CHUBB SOLUTIONS

- Environmental
- General Liability

- Property
- Equipment Breakdown

- Builder's Risk
- Excess and Umbrella

## What We Have Written Lately

Risk Description	Insurance Written	Premium Amount	The Chubb Difference
Manufacturer	<ul style="list-style-type: none"> <li>• Premises Pollution Liability</li> <li>• General Liability</li> <li>• Property</li> <li>• Auto</li> <li>• Umbrella</li> </ul>	\$50,000	The risk engineering survey conducted for the package was used to satisfy the environmental engineering requirement, thus providing a smooth, seamless, transaction across all lines of coverage
Street & Road Contractor	<ul style="list-style-type: none"> <li>• Contractors Pollution Liability</li> <li>• Property</li> <li>• Builders' Risk</li> <li>• Auto</li> <li>• Equipment Breakdown</li> </ul>	\$20,000	<ul style="list-style-type: none"> <li>• Ability to offer increased limit for certain projects to meet contractual insurance requirements</li> <li>• Environmental Incident ALERT<sup>SM</sup> application accessible on mobile device with GPS locating technology (perfect for jobsites without an address)</li> </ul>
Real Estate	<ul style="list-style-type: none"> <li>• Premises Pollution Liability</li> <li>• Tank Liability</li> <li>• General Liability</li> <li>• Property</li> </ul>	\$15,000	<ul style="list-style-type: none"> <li>• Proven experience servicing client's mid-term coverage needs</li> <li>• Experience handling environmental claims</li> <li>• Easy-to-use online TankSafe<sup>®</sup> platform</li> </ul>

## What We Have Paid Lately

In a retail strip mall, the owner leases existing space to a new tenant and renovations are begun to customize the space. During the construction period, significant mold is found in the leased area due to prior water damage from a leaking pipe. This results in remediation costs to remove the mold, as well as business interruption loss due to the owner's inability to secure rent for the space during the remedial effort. \$2.5m incurred loss.

A manufacturer generates hazardous waste. They subcontract waste transportation and disposal to a third party. The contracted company disposes hazardous waste into a landfill that is properly permitted and licensed to accept such waste and is not on the National Priorities List. Over time, contaminants leach into the soil and groundwater. The owner/operator of the disposal facility has financial responsibility insurance, but it is not enough to cover remediation costs. The United States EPA issues an order to all generators of hazardous waste that disposed of their waste at the landfill over the past 10 years to be liable for the additional costs. The manufacturer incurred \$10m in liability for remediation, long term groundwater monitoring, and legal defense expense.

A subcontractor is hired by a general contractor to grade a parcel of land that will be developed into a fast-food restaurant. During grading activities, the subcontractor spreads soils contaminated with chlorinated solvents from a previously unknown dry cleaner at the site. The grading activity spreads the once isolated contaminated soils over the entire site, thereby resulting in significant costs to remediate the contamination. Additionally, an adjacent property owner files a claim due to the ingress of contamination onto his property during the associated remediation activities resulting in \$1m total incurred loss.

## Web Links

- [Insurance for Environmental](#)
- [Agent & Broker Resource Center](#)
- [Claims Service — What Makes Us Unique](#)

## WHY CHUBB?

- Underwriting Expertise
- Tailored Solutions
- Chubb Risk Consulting
- Superior Claims Service
- Global Reach
- Financial Strength

The claim scenarios described here are intended to show the types of situations that may result in claims. These scenarios should not be compared to any other claim. Whether or to what extent a particular loss is covered depends on the facts and circumstances of the loss, the terms and conditions of the policy as issued and applicable law. Facts may have been changed to protect privacy of the parties involved.

Chubb is the marketing name used to refer to subsidiaries of Chubb Limited providing insurance and related services. For a list of these subsidiaries, please visit our website at [www.chubb.com](http://www.chubb.com). Insurance provided by ACE American Insurance Company and its U.S.-based Chubb underwriting company affiliates. All products may not be available in all states. This communication contains product summaries only. Coverage is subject to the language of the policies as actually issued. Surplus lines insurance sold only through licensed surplus lines producers. Risks subject to full underwriting review and acceptance; premiums may vary. Reasons listed for why an insured chose Chubb based on perceptions of Chubb employees from communications with producers. Chubb, 202 Hall's Mill Road, Whitehouse Station, NJ 08889-1600.