



ENVIRONMENTAL IMPAIRMENT LIABILITY

Whether sudden and accidental or occurring gradually, the release of a pollutant – hazardous or otherwise – can cause serious damage not only to the environment and community, but also to the reputation and bottom line of your customers.

That's why we offer an Environmental Impairment Liability (EIL) solution* that can be tailored to their specific needs, no matter their size or industry.

Our coverage goes above and beyond standard Commercial General Liability (CGL) and Property policies, which usually exclude coverage for any environmental damage, and can help protect your customers from costly expenses while also ensuring compliance with contractual obligations.

And with emergency response reimbursement and access to qualified experts in case of an incident, we're here to help support them when quick and decisive action is needed to minimize environmental damage.

OUR FULL SUITE OF ENVIRONMENTAL IMPAIRMENT SOLUTIONS INCLUDES:

- Premises Pollution Liability
- Contractors Pollution Liability
- Transportation Pollution Liability

PREMISES POLLUTION LIABILITY

Our Premises Pollution Liability coverage is designed to help protect customers from pollution releases at, on, under or migrating from a location they own or lease, providing both first- and third-party coverage for property damage and bodily injury.

Because quick action is needed to contain and mitigate the impact whenever pollutants are released into the environment, we've also built in coverage for reimbursement of emergency response and clean-up costs. And, our commercial claims specialists are experienced in dealing with pollution claims and can quickly connect customers with qualified incident response and remediation experts.

This policy can also help customers comply with common landlord/tenant obligations and other agreements the business may have in place.

Who should consider this coverage?

- Auto dealers
- Auto repair garages
- Building/Property owners
- Building supply wholesalers
- Commercial printers
- Concrete product manufacturers
- Consumer goods manufacturers
- Dry cleaners
- Fabricated metal product producers
- Farm machinery equipment dealers
- Food and beverage manufacturers/wholesalers
- Fuel dealers
- Lawn and garden equipment dealers
- Machinery and equipment manufacturers/wholesalers
- Non-critical auto part manufacturers
- Tire dealers
- Service stations

Questions to ask

- Does the business store gasoline, diesel or other potential pollutants in underground or above-ground storage tanks?
- Does the business store or handle used or unused oil, batteries, coolants, or cleaning solvents?
- Does the business have a large inventory of rubber products stored on premises?

CONTRACTORS POLLUTION LIABILITY

Contractors Pollution Liability provides coverage for work done by or on behalf of a contractor resulting in the release of a pollutant into the environment. It provides protection for both ongoing and completed projects, and includes coverage for property damage, bodily injury, clean-up, legal defence and regulatory fines.

THIS POLICY MEETS NEW CANADIAN CONSTRUCTION DOCUMENTS COMMITTEE (CCDC) COVERAGE REQUIREMENTS.

Who should consider this coverage?

- Carpenters
- Communication contractors
- Driveway and sidewalk contractors
- Drywallers and painters
- Electrical contractors
- Excavation and land grading contractors
- Exterior contractors (windows, doors, awnings and siding)
- Fence and decking contractors
- General contractors
- Infrastructure contractors
- Iron and steel contractors
- Landscaping contractors
- Masonry and stone contractors
- Mechanical contractors
- Plumbing contractors
- Project construction contractors
- Septic tank contractors
- Water, sewer and pipeline contractors

Questions to ask

- Does the business regularly work with paints, oils or solvents on projects?
- Does the business store fuel, raw chemicals or other flammable materials on job sites?
- Does the business' work ever potentially impact above-ground or underground storage tanks holding potential pollutants?

TRANSPORTATION POLLUTION LIABILITY

Environmental impairment isn't just restricted to your customers' property or worksite. Whenever supplies, equipment or waste is moved by them or on their behalf, there's the potential for pollution to be released into the environment.

Available as an optional coverage with both Premises Pollution Liability and Contractors Pollution Liability policies, Transportation Pollution Liability provides protection for pollution emanating from products or materials during loading or unloading while being transported, shipped, or delivered by the customer or by a carrier on their behalf.

Coverage is provided on Difference-in-Condition basis and applies when these activities are not covered by their primary automobile, marine, aviation or railroad protective liability policy.

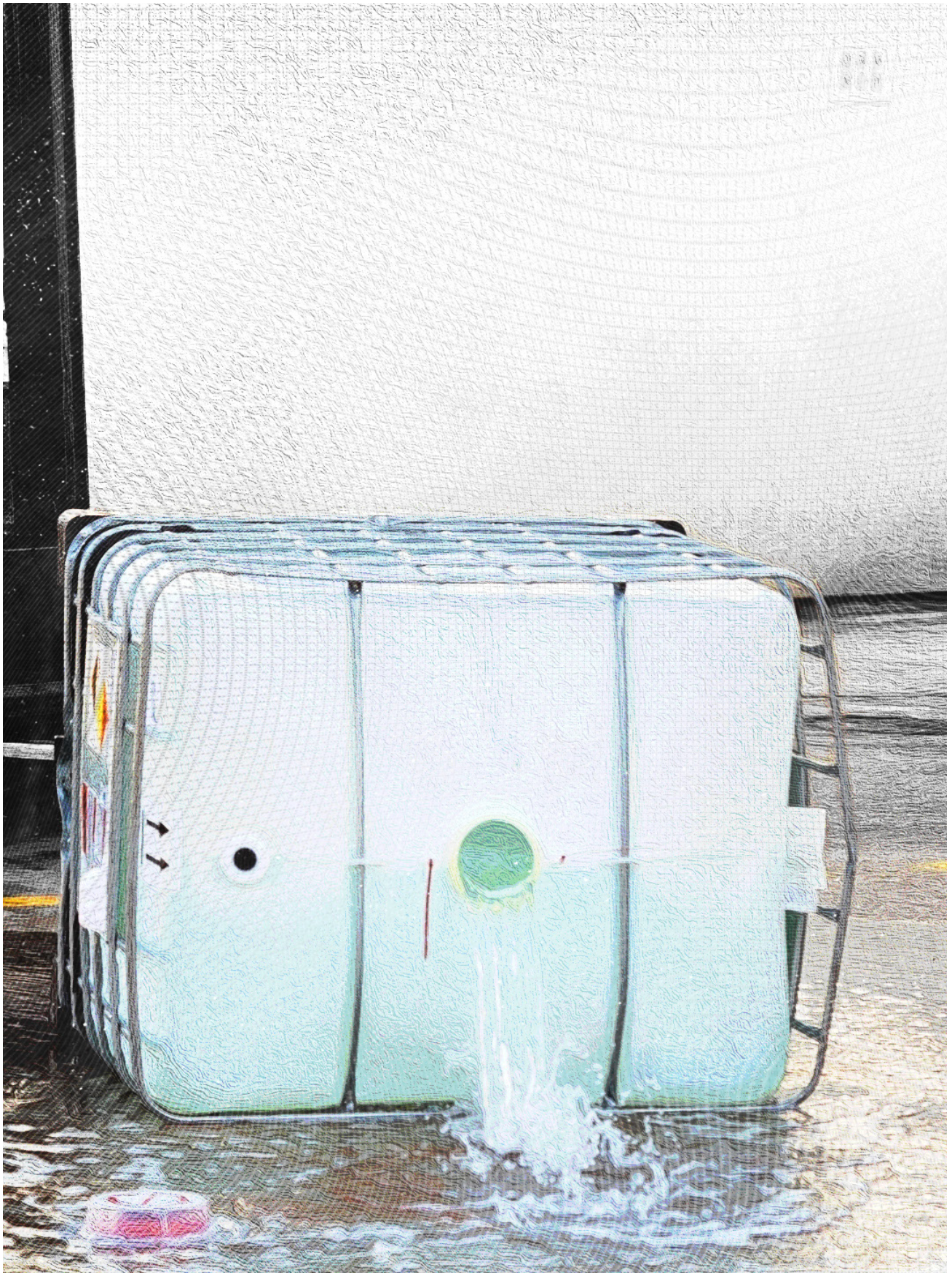
Who should consider this coverage?

- Businesses that move equipment or supplies between locations
- Businesses that transport equipment or waste
- Businesses that contract others for equipment or waste removal

COVERAGE HIGHLIGHTS

Coverage/Feature	Explanation	Premises Pollution Liability	Contractors Pollution Liability	Transportation Pollution Liability
First-Party Coverage				
Business Interruption	Coverage for the actual loss of business income incurred by the customer during the business interruption period.	✓		
Clean-up Costs	Costs incurred by the customer to clean-up a spill to the extent of meeting the environmental standards in the jurisdiction, including restoration costs.	✓		✓
Third-Party Coverage				
Clean-up Costs	Costs incurred by the customer to clean-up a spill to the extent of meeting the environmental standards in the jurisdiction, including restoration costs.	✓	✓	✓
Damages for Bodily Injury or Property Damage	Covers compensatory damages that the customer is legally obligated to pay as result of a judgment, award or settlement due to an environmental impairment.	✓	✓	✓
Claims Expenses	Claims expenses (defence costs and other supplementary payments) are included in the limit of liability.**	✓	✓	✓
Other Features				
Claims-Made and Reported Coverage Form	Provides coverage for claims made and reported during the policy period.	✓	✓	✓
Emergency Response Costs	A sublimit for the cost that the customer incurs to initiate an emergency clean-up in order to prevent future damage in a timely manner.	✓	✓	✓
Impairment Window	Coverage for environmental impairment, whether event occurs suddenly and accidentally or gradually over time.	✓	✓	✓
Broad Impairment Definition	Impairment definition includes coverage for medical, infectious or pathological wastes.	✓	✓	✓
Illicit Abandonment	Covers damages related to Illegal or unauthorized dumping of pollutants on the customer's property or a non-owned job site.	✓	✓	✓
Flexible Policy Options	Minimum premium of \$1,000, with a variety of deductible options. Limits of \$5 million, with higher limits available.	✓	✓	✓

**Except for the province of Quebec, in which these expenses are in addition to the limit of liability.



WHY CHOOSE NORTHBRIDGE INSURANCE?

- Coverage available for both owned and leased locations
- **Contractors Pollution Liability** policy meets new Canadian Construction Documents Committee (CCDC) coverage requirements
- One-stop service for all your business, automobile, environmental and umbrella insurance needs
- Financial stability – part of Northbridge Financial Corporation, a Fairfax company rated A by A.M. Best, A by Standard & Poor's and A3 by Moody's
- 24/7 claims support from commercial claims specialists who understand environmental impairment and have relationships with environmental remediation experts who can quickly support your customer in the event of an incident

MORE THAN JUST A POLICY

We've built Risk Management Assist*** into all our pollution policies. It provides added peace of mind by providing policyholders with unlimited telephone access to our team of Risk Services Specialists, who can answer questions and provide guidance on a variety of loss prevention topics related to their business, including contractors liability.



CLAIMS EXAMPLES

When can environmental impairment liability coverage help come to the rescue?

Leaky Fuel Tank | \$60,000

Internal corrosion of a 2,000L fuel tank led to a leak of 200L of fuel into the surrounding environment causing 250 tons of soil to be remediated at a total clean-up cost of \$60,000. Because the company's property and CGL policy did not provide coverage for pollution liability, the customer was responsible for covering all expenses out-of-pocket. It also caused a business interruption loss to the insured.

Work Involving a Tank | \$300,000

A contractor was hired to do some work at a job site and they brought chemicals stored in a large mobile tank onto the job site to clean an underground gasoline tank. The contractor accidentally damaged the tank, which caused the contents to spill and seep into the soil and beneath the job site's driveway. The clean-up required removal of the driveway and remediation of the contaminated soil below at a total cost \$300,000. The policy contained an exclusion for pollution clean-up, so there was no coverage under the CGL. The clean-up and property damage was covered under the Contractors Pollution Liability policy with the exception of a \$5,000 deductible.

Mould Clean-Up | \$350,000

A general contractor was hired for a commercial building renovation project. After the course of construction was completed and accepted, it was discovered that a water pipe within a wall had been accidentally nicked, creating a slow leak that continued for several weeks undiscovered and resulted in a significant amount of mould developing. The clean-up costs, which totaled in excess of \$350,000, were not covered under the contractor's Commercial General Liability policy. The business did not have any supplementary environmental impairment liability protection, so it was responsible for covering the full clean-up costs.

Solvent Theft | \$1,500,000

Someone tried to steal solvent stored by a business in a 2,000L tank on its property. In the process, over 1,800L of solvent were spilled. The solvent contaminated not only the surrounding soil, but also a nearby property and waterway. The business was covered for the full amount of the loss under its Premises Pollution Liability policy.

Waste In-Transit Spill | \$3,000,000

A company was hired to remove debris from a construction site, including several old drums containing chemical waste. While unloading the drums at their premises, several of the drums were dropped, causing the chemicals to seep into the soil and contaminate their groundwater. A specialist had to be called in to help with soil and groundwater remediation. All costs totaled over \$3,000,000. The automobile third-party liability and CGL insurers denied coverage as the damage was to the insured's premiss and not to a third party. The small limit offered by the property policy for pollution clean-up was also not covered because the cause of loss was excluded (spill). The company was responsible for covering all expenses out-of-pocket.



About Us

Northbridge Insurance is a leading Canadian commercial insurer. Working closely with our broker partners and leveraging our in-depth industry expertise, we help businesses operate more safely so they can worry less about risks and focus on opportunities.

Learn more at www.northbridgeinsurance.ca.

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*Coverage available for Canadian domiciled policies only

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