



Contractors Pollution Liability

Frequently asked questions

WHAT IS CONTRACTORS POLLUTION LIABILITY INSURANCE COVERAGE?

- Contractors pollution liability (CPL) insurance covers third-party bodily injury and property damage as well as remediation costs associated with a covered pollution event at an insured's job site. The CPL policy is designed to prevent gaps in coverages due to pollution-related exclusions on standard commercial general liability programs.

HOW IS THIS POLICY BETTER THAN OTHER OPTIONS IN THE MARKETPLACE?

- Coverage enhancements include the following:
 - › Occurrence policy wording
 - › Transportation pollution liability
 - › Mold coverage
 - › Crisis management

ISN'T THIS ALREADY COVERED UNDER MY GENERAL LIABILITY POLICY?

- Not usually. A contractor doesn't have to be in the pollution business to have a claim brought against their company. Any job site provides the potential for a pollution incident to happen, resulting in an environmental liability claim by a third party. It can involve something as simple as an accidental exposure to a water pipe causing mold, or as extreme as cutting through a gas line. What contractors need to know is a CPL policy provides the necessary coverage against third-party claims as a result of pollution conditions caused by their work or that of their subcontractors.

WHAT IS THE BENEFIT TO HAVING A CRISIS MANAGEMENT SUBLIMIT WITHIN THE POLICY?

- It provides assistance from a crisis management consultant who can lend their expertise in minimizing the economic harm a contractor may face due to negative media coverage, or damage to the company's public image or reputation.

ARE BUSINESSES REQUIRED TO CARRY THIS COVERAGE?

- Contractors who do not carry a practice CPL policy may be required to carry one for a project.
- Contractual requirements often require contractors to secure their own CPL coverage.
- It is typically more cost-effective to purchase a practice policy versus a project policy.





WHO NEEDS THIS COVERAGE?

- Any contractor with pollution exposures, either directly or vicariously, including dredgers; excavation/grading; HVAC; janitorial; roofers; plumbers; fertilizer applicators; and general contractors including carpentry, drywall, electrical, fencing, insulation, EIFS, street and road.

WHAT IS THE COST OF NOT BUYING THE COVERAGE?

- Potential breach of contract if coverage is contractually required. Gaps in coverage between limited pollution offerings withing the general liability form.
- Defense expenses alone can be costly and ruin a company financially.

IS THIS FORM ADMITTED OR NON-ADMITTED?

- Non-admitted

WHO ARE THE INSURANCE CARRIERS?

- Colony
- Navigators

WHAT IS THE CLAIMS-HANDLING PROCESS?

- Colony: General Counsel
Colony Insurance Company
Colony Specialty Insurance Company
P.O. Box 469011
San Antonio, TX 78246
Toll-free: 877.474.8808
Electronic reporting: ClaimReporting@ColonySpecialty.com
- **Navigators Insurance**
Attn: Claims Department
83 Wooster Heights Road
Danbury, CT 06810
United States of America
Toll-free: 855.444.4796
Electronic reporting: NewLoss@navg.com

WHO DO I CONTACT FOR QUESTIONS RELATED TO THIS COVERAGE?

- Please reach out to your assigned RPS producer, who will be happy to answer any of your questions.

Get a quote online at RPSSmallBusiness.com.

RPSins.com

RPS™ RISK
PLACEMENT
SERVICES

The information contained herein is offered as insurance industry guidance and provided as an overview of current market risks and available coverages and is intended for discussion purposes only. This publication is not intended to offer legal advice or client-specific risk management advice. Any description of insurance coverages is not meant to interpret specific coverages that your company may already have in place or that may be generally available. General insurance descriptions contained herein do not include complete insurance policy definitions, terms and/or conditions, and should not be relied on for coverage interpretation. Actual insurance policies must always be consulted for full coverage details and analysis. DBA Risk Placement Services Insurance Brokers. CA License No. 0C66724. Copyright © 2020 Risk Placement Services, Inc.

RPS37942 0320