AIG Introduces...

Environmental Emergency Response Costs Coverage for Construction General Liability Policies

A Broad Coverage Enhancement That Helps Contractors Manage the Expense of Unexpected Pollution Incidents.

Contractors of all types and sizes are increasingly vulnerable to environmental hazards. Whether it’s an accident on the job site or during transportation, a sudden spill, fire or explosion may require swift environmental clean-up, which can be complicated and costly. Traditional commercial general liability policies contain very restrictive or complete exclusions for pollution and are often ill-equipped to respond to these environmental emergencies.

Now, an AIG insurer offers the Environmental Emergency Response Costs Coverage enhancement to assist contractors with emergency response clean-up costs associated with a pollution condition event. This convenient enhancement helps construction clients fill the gaps in their casualty programs with valuable environmental coverage. When claims arise, clients are backed by AIG’s industry-leading environmental claims group.

The risks and exposures that our middle market construction clients have to control are constantly evolving. By leveraging AIG’s technical expertise across construction and environmental disciplines, we’re able to offer a flexible coverage option that brokers and clients can easily add to general liability policies.
Product Features

The Environmental Emergency Response Costs Coverage enhancement covers expenses incurred in connection with the remediation of soil, surface water, groundwater or other contamination as a result of pollution conditions that require immediate action.

- Broad, easily triggered coverage not typically available with casualty programs
- Emergency response costs include legal fees consented to by AIG claims
- Separate limit options of up to $500,000 available outside of the general liability aggregate

Coverage Details

The Environmental Emergency Response enhancement is currently available with construction general liability policies from AIG’s surplus lines insurer, Lexington Insurance. Minimum premium of $2,500 is required. Policy retentions apply. Coverage is for response costs incurred within 36 hours of the commencement of the pollution condition event.

For more information about construction liability or the Environmental Emergency Response Costs Coverage enhancement, contact:

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With the Environmental Emergency Response Costs Coverage, construction clients get direct access to a dedicated team of environmental claims professionals.

AIG’s pollution claims unit is the industry’s largest, dedicated to handling all types of pollution claims from small spills to complex toxic tort litigation. Our extensive in-house staff has diverse backgrounds in geology, engineering, environmental science and legal disciplines, enabling us to devote the right expertise to every aspect of an environmental emergency claim.

Possible Claims Scenarios*

1. While performing operations at a job site, a forklift accidentally collides with an above ground fuel storage tank causing a release.

2. While transporting liquid asphalt to a job site, the truck tips over and releases the liquid asphalt onto the highway and into an adjacent creek.

3. While performing operations at a job site, a backhoe ruptures an underground chemical product transfer line, causing the release of a hazardous chemical.

*In each claim example, environmental emergency response costs incurred within 36 hours are covered subject to the policy’s terms and conditions.