

# Protect Your Facility with a Premises Environmental Policy

Don't let pollution claims keep you from seeing green

**T**hink about these potential claim scenarios:  
One of your aboveground storage tanks containing fuel oil develops a small leak. On-site remediation and legal expenses total \$175,000.

A battery storage area catches fire; in putting out the fire acid containing lead seeps into the ground. On-site remediation expense, accusation of bodily injury from fumes of the fire and legal expenses total \$350,000.

A waste disposal recycling firm that your facility uses goes bankrupt. They leave spent batteries and chemical waste at their site. The state orders all generators of the waste to pay for the clean up and removal of the waste. The golf course owner was a generator of the waste and paid legal defense and a portion of the waste removal, total expenses \$150,000.

The PGA Preferred Golf Course Insurance Program... can assist you with a **professional evaluation of your insurance exposures** and develop a customized program to suite your facilities needs.

What do all of these scenarios have in common? They are actual claims paid by insurance companies across the country. Fortunately, all these clients had the proper advice and coverage.

Why do we highlight these claims? All too often we see new clients that ask us to evaluate their insurance program and their exposures and we find this is an area that needs a lot of attention. Many golf course owners see a coverage called Application of Pesticides and Herbicides and feel that they are covered for any pollution claims. This endorsement only protects you for the application, mixing and storage resulting in third party bodily injury

and property damage. It would NOT have provided coverage for any of the above claim scenarios.

Of course, the first step should always be prevention. Here are some key issues to consider:

What chemicals are you applying? Are they biodegradable? When are you applying them?

Are all employees or subcontractors who spray or otherwise apply chemicals certified by the state? If you use a subcontractor for grounds keeping services did you receive a hold harmless agreement and are you named as an additional insured on the contractors Environmental Impairment Liability Policy?

Do you have any underground storage tanks? What age are the tanks? Have they been tested and examined for leaks?

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Even with "best practices" in place to reduce your likelihood of an environmental claim, it's always prudent to protect your facility with a Premises Environmental Policy. In addition to providing coverage for the previously mentioned claims, these policies would also provide coverage for:

- Regulated Hazardous Materials or Waste
- Petroleum Storage Tanks
- Waste Water Treatment
- Optional Business Interruption Coverage (loss of income due to the course being shut down for clean up of contamination on the course grounds.)
- Optional Waste Disposal Liability Coverage (lawsuits and superfund Liability for cleanup of a waste disposal site to which you shipped waste. You are still responsible for the waste as the "generator.")

Finally, are you working with an agent and insurance company that specialize in golf course insurance coverages? The PGA Preferred Golf Course Insurance Program, administered by Bouvier Beckwith & Lennox, Inc., can assist you with a professional evaluation of your insurance exposures and develop a customized program to suite your facilities needs.

Please feel free to call us at 1-800-888-GOLF. Also, be sure to look for us at the PGA Merchandise Show in January in the PGA Member Business Center and on the Show floor. ■

The foregoing is intended as a summary of potential exposures for illustration purposes only and is not intended in any way to serve as a specific plan for your facility.