From: Jim Mahurin
To: mac@ddrmi.com
Subject: Re: Enviro Program for SRMC
Date: Monday, May 06, 2013 11:53:02 AM

Mac,

It's been a long time since Dave Dybdahl spoke to our group. Perhaps over 10 years. I also believe we had a pollution presentation when we met in Portland, OR.

I've spoken with Dave personally and he is very knowledgeable.

Our local CPCU chapter had the head of Willis pollution program speak to our luncheon. She is an attorney with a science background. They were focused on selling pollution insurance on business deals to satisfy major loan agreements.

I developed a the Petroleum Underground Storage Tank insurance program in West Virginia in the 1990's. I read about 30,000 pages of material on leaking tanks. One of my friends was a judge, who used to drop by my office in the afternoons, and he suggested we develop a Priority of Payments provision so the funds released paid for loss in accordance with the intent of the federal statutes:

a. Emergency evacuation and implementation of safety procedures; (cheap)
b. Removal of free product to prevent further contamination; (cheap)
c. Removal of contaminated soils; (not cheap) and,
d. Third party liability (cheap when the site is clean).

I developed a combination property (Part A) and liability (Part B) policy incorporating the Priority of Payments provisions. The state accepted the program to be administered by the State Board of Risk (at that time there were no private providers). We based the premiums on tank type and age.

The Priority of Payments part killed the litigation. About 95% of all claims costs were remediation. Administration was negligible. Litigation over clean sites was rare. There were a few places where there was hydrocarbon residue under buildings. One very small business had to relocate.

We filed our policy form with EPA. Within 180 days private insurance companies all over the country were using the format the judge and I had developed.

My point is this. Pollution risk needs to be focused on remediation coverage first. Insurance companies want to talk about third party liability. That is a major gap.

Another major issue is size of claims. The news is full of catastrophic events. That's not common. The more common event is the "other than routine" spill.

I'll send you the article.

Jim Mahurin

-----Original Message-----
From: Mac Durrett <mac@ddrmi.com>
To: 'Jim Mahurin' <jimmahurin@aol.com>
Sent: Sat, May 4, 2013 4:21 pm
Subject: Enviro Program for SRMC

Jim,

I tried to but it took me to a “Linked In” site instead.
I am in agreement about the topic and Randy DeLopst sent me separately a suggestion to have David Dybdahl present to us on this sbject – evidently, Dave has presented to SRMC previously – do you recall it and, if so, what was your impression?
I am considering having a major 2.5 hour presentation on the topic with 3-4 presenters participating (i.e. a broker/consultant + underwriter + geo-tech engineer type + enviro claims specialist).
Can you please just send me a copy of the IRMI article?

Best regards,

Mac Durrett
Durrett & David Risk Management
770-565-1200

From: Jim Mahurin [mailto:jimmahurin@aol.com]
Sent: Tuesday, April 23, 2013 2:24 PM
To: mac@ddrmi.com
Subject: Fwd: We hope to see you at the RIMS Conference- Booth #1321

Mac,

Please click on the Environmental and Mold piece referenced below and read this article.

I believe we're long overdue for a major program on pollution.

Thanks again for your great job as Meetings Chair.

Jim Mahurin

-----Original Message-----
From: International Risk Management Institute (IRMI) Group Members <group-digests@linkedin.com>
To: James R. Mahurin, CPCU, ARM <jimmahurin@aol.com>
Sent: Tue, Apr 23, 2013 4:54 am
Subject: We hope to see you at the RIMS Conference- Booth #1321

International Risk Management Institute (IRMI)

April 23, 2013

Manager's Choice

We hope to see you at the RIMS Conference- Booth #1321

Comment
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Started by Jack Gibson

Still Active Discussions (2)

Sampling of Environmental and Mold losses in commercial buildings.

2 new comments
Like

Started by ROSS DRISCOLL SR., CIC, CR

> I am always asked why do commercial proeprty owners and managers need site pollution. Please see the attached which has specific real... more »

Job Discussions (1)

Enterprise Risk Manager – Major Industrial Company – Berks, UK - £60-£75k + bonus + package

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Posted by Tom Brown, Director at Foxwell Brown Ltd — +44(0)7952 585 386

Jobs (1)

Client Services Specialist- Commercial P & C Insurance

Willis - Buffalo, New York

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