



WOULD YOU BE COVERED?

Fire Loss



FIRE LOSS

For the vast majority of businesses a fire is one of their biggest risks and greatest fears, so the Fire Service arriving to tackle the blaze is a very welcome sight. However, the extinguishing of the fire could be the catalyst for a whole new and potentially more devastating set of problems...

LANDLORD HELD LIABLE

A landlord leased a property to a company for the storage of chemicals at a light industrial park. The tenant did not have the appropriate permits or insurance in place. Following a fire, firewater impacted adjacent sites and watercourses. The statutory cleanup costs were in the order of £700,000.

The tenant disappeared and the landlord was forced to bear these costs. Cover for statutory clean-up costs is not always provided by General Liability insurance policies as standard.

CHEMICALS COMPANY

In 2011 a devastating fire started on a large industrial park near Rotterdam. The company itself, a packer, filler and labeller of hazardous chemicals, was completely destroyed. Two neighbouring companies were also destroyed and several others incurred severe damage.

The company, a family business for more than 60 years, had permission to store 4,000 tons of hazardous chemicals, including pesticides.

The total cost of environmental remediation is estimated to be €65.4 million.

WAREHOUSING RISK

As a result of a fire, aerosol cans ignited and exploded in a warehouse facility which stored shampoos. Firewater used for extinguishing the fire, washed detergents into drains. The Insured acted to prevent the spread of firewater by blocking drains and pumping the pollution into tankers for disposal off-site.

Their General Liability insurance policy provided no cover for costs associated with the preventative action of the off-site disposal taken or for 'Statutory Costs' for the cleanup of a nearby brook.

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