In today’s financial climate, it doesn’t take much to ruin a real estate transaction. Even if the location is ideal, the price is right, and no significant property issues are identified in the due diligence process, the merest rumbles of an environmental exposure can quickly destroy a deal.

Real estate transactions can fail or take much longer to close because the property is impaired by actual or suspected pollution. And because some of the worst environmental damage can occur slowly — releasing into the soil or surface or ground waters over time — problems may go undetected for decades, making it complicated to sort out when and how the actual event occurred.

Are you a commercial real estate owner, operator, developer or property manager of commercial real estate property? At some point, you may face environmental risks from a variety of exposures, including tenant operations, neighboring properties, historical property use, inadequate housekeeping or building maintenance practices.
Zurich’s new approach to managing environmental risks

Zurich designed its Z Choice® Real Estate Environmental Liability (REEL) policy to be an effective risk management tool that can help to facilitate real estate transactions by providing an insurance mechanism to help protect against the environmental liabilities associated with the ownership, operation, development or management of commercial real estate properties.

The Z Choice® REEL policy offers distinct options in the marketplace because of three new coverages introduced by Zurich into this new form:

- **Crisis Management Expense Aggregate Limit**
  This is separate from emergency expense coverage and offers a separate limit of liability for, among other things, retaining a public relations firm to help maintain or restore public confidence in the named insured in the event of a pollution event that subjects the named insured to significant adverse media attention.

- **Green Remediation Aggregate Limit**
  This is an additional limit of liability to incorporate green cleanup technologies into cleanup activities related to a covered pollution event such as minimizing energy and water use, employing renewable energy, and reducing, reusing and recycling materials and wastes.

- **Green Standards Aggregate Limit**
  This is an additional limit of liability to repair or replace property that is damaged in the course of a covered cleanup activity to comply with green standards, such as the LEED® Green Building Rating System™ and other products, methods, and processes that help improve the environment, increase energy efficiency, and enhance safety and property protection.

Key coverages of Z Choice® Real Estate Environmental Liability (REEL):

- **Coverage for on-site and off-site cleanup costs resulting from existing unknown pollution events and new pollution events (both third party claims and discovery triggered)**

- **Coverage for third party liability arising out of existing unknown and new pollution events, including bodily injury, property damage, natural resource damages, non-owned disposal site, transportation and covered operations**

- **Re-opener coverage for scheduled known pollution events with no further action (NFA) or equivalent confirmation**

- **Automatic coverage for newly acquired properties, owned as well as leased (subject to certain qualifications), as well as inadvertently omitted properties**

- **Coverage for liability from underground storage tanks that were closed or abandoned-in-place prior to policy inception in accordance with environmental laws in effect at the time of closure or abandonment**

- **Participation in state brownfield and voluntary cleanup programs**

- **Business interruption/tenant suspension/delay in construction coverage**

- **Coverage for microbial substances including fungus and legionella**

- **Asbestos and lead coverage (other than abatement)**

- **Coverage for lenders who have a security interest in a covered location**

- **Limits up to $25M**

- **Policy terms up to 10 years**

At some point, you may face environmental risks from a variety of exposures, including tenant operations, neighboring properties, historical property use, inadequate housekeeping or building maintenance practices.
Additional advantages of Zurich and its Z Choice® REEL policy

When it comes to protecting your company against environmental risks, the stakes could not be higher. You need more than just an insurance policy – you need a carrier and coverage that offers distinct advantages such as:

**Risk Engineering**
Zurich's experience and extensive resources are the foundation on which we build risk engineering consulting and risk management options to help our clients mitigate their emerging risks like pollution and the more traditional liability risks.

**Spill Reporting Online System (SROL)**
This online system gives companies direct access to a dedicated team of professionals experienced in environmental emergency response, investigation and remediation of accidental releases of hazardous and other regulated materials. Access to SROL system is available at no additional cost to all Zurich Environmental customers.

**Extensive experience**
Zurich has been providing underwriting excellence for over a century, and offering environmental insurance for nearly 20 years. Many of our underwriters have significant environmental experience beyond insurance, and were instrumental in establishing the first environmental coverages more than two decades ago.

**Environmental Claims Service**
The Environmental Claims group at Zurich consists of a team of experienced claim professionals with legal and/or technical backgrounds. Zurich makes it easy to file environmental claims directly to us, 24 hours a day, 7 days a week through:

- **Phone**: 1-800-987-3373
- **Fax**: 1-877-962-2567
- **E-mail**: USZ_Zurich_Environmental@zurichna.com

**Coverage**
Z Choice REEL policy provides coverage for a wide spectrum of environmental exposures facing commercial real estate owners and developers, most of which are included directly in the basic policy form.

**Easy to understand language**
Z Choice REEL offers a simple, easy-to-understand solution to help to address complex business needs. Our simplified policy format includes just three sections.

**Local Access**
Our underwriters are regionally-based, so they are knowledgeable about the local environmental landscape and more prepared meet your needs. We have offices in Atlanta, Boston, Chicago, Dallas, Denver, New York, Philadelphia, San Francisco and Toronto.

**Financial strength**
Zurich offers the financial strength you need in today’s challenging environment.*

*For information about the ratings of Zurich American Insurance Company, access the ratings section on www.zurichna.com.

Learn more
For more details about Z Choice® Real Estate Environmental Liability (REEL), please visit our website at zurichna.com/environmental
Or call toll-free 866-219-3402
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