

## The Environment and the Law

### A drop that could contaminate your environment.



In a world we wish greener and where the media are seeking the public's attention, the quality of our water, air, soil and forests is constantly scrutinized. Analysts, shareholders and stakeholders will look for companies with flawless management, which are socially and environmentally conscious. Those new eco-friendly leaders will without a doubt have the competitive advantage over companies with a poor reputation with respect to their environmental management, which may eventually lead to a claim or financial loss.

**Expertise:** Since Quebec's Bill 72 was entered into law in 2003 (Act to amend the Environment Quality Act and other legislative amendments with regard to land protection and rehabilitation), the financial institutions have become increasingly rigorous regarding environmental issues when granting loans. The principle has changed from a polluter liability principle to a principle where the owner is liable, or sometimes even the tenant.

Are you able to grasp the requirements of this law? While Section 20 deals with the *ban on contamination*, Section 22 deals with the *permission to pollute*, leaving the door open for some confusion.

Our experience with environmental risks allows us to understand the particular risks associated with each business; we can therefore offer the coverage tailored to your needs.



**Risk and coverage analysis:** Is your current program well suited to your needs? It may need to be reassessed. Here are the steps to consider during a reassessment: adequate limits for your risk exposure, compliance of your equipments with regulation in force, the discovery period following an incident, the limits for clean-up costs, the retroactive dates, the possibility of an auto-decontamination project supervised by competent authority and, finally, future acquisitions.

**Relationship with insurance markets:** We negotiate with major local and international insurers who specialize in underwriting environmental risks. Over the years, and through numerous risk placements, we have developed a close relationship with these insurance companies. Before recommending an insurer, we look at its financial stability, its expertise pertaining to environmental risks, and its capability to sustain this type of risk underwriting over the long run.

At GPL, we have the experience, the expertise and the resources to provide you with tailor-made insurance and risk management solutions related to your environmental issues.



Since we favor a global approach, we can meet all of your insurance needs such as property insurance, casualty insurance, directors and officers' liability, errors and omissions, automobile and group insurance for your employees.

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