

# DRY CLEANERS PROGRAM LIABILITY INSURANCE APPLICATION (THIS APPLICATION IS FOR A CLAIMS-MADE POLICY)

## IMPORTANT NOTICE

THIS IS AN APPLICATION FOR A POLICY THAT IS WRITTEN ON A CLAIMS-MADE BASIS AND COVERS ONLY CLAIMS FIRST MADE AGAINST THE INSUREDS DURING THE POLICY PERIOD OR THE EXTENDED REPORTING PERIOD, IF EXERCISED. CLAIMS MUST BE REPORTED TO THE INSURER IN ACCORDANCE WITH THE REPORTING PROVISIONS OF THE POLICY. THE LIMITS OF LIABILITY SHALL BE REDUCED, AND MAY BE COMPLETELY EXHAUSTED BY AMOUNTS INCURRED AS DEFENSE COSTS. PLEASE READ THE POLICY CAREFULLY AND DISCUSS THE COVERAGE PROVIDED WITH YOUR INSURANCE AGENT OR BROKER.

BY COMPLETING THIS APPLICATION, THE APPLICANT IS APPLYING FOR COVERAGE WITH EITHER **COLONY INSURANCE COMPANY** OR **COLONY SPECIALTY INSURANCE COMPANY** AN AUTHORIZED SURPLUS LINES INSURER.

Dry Cleaning Operations are classified by the type of machine used at their facility. There are five (5) generations of machines presently in use in the United States. The five (5) types of machines are explained below.

### **FIRST GENERATION – TRANSFER MACHINE**

This is similar to the washer and dryer we use in our homes. The clothes are washed in one unit with the chemicals and then transferred to a second unit of drying. The chemicals are vented to the atmosphere and there is the potential for chemicals to get on the workers clothing and skin and on the floor of the facility during the transfer. These machines are not permitted to be sold today and they cannot be converted to Dry-to-Dry machines (Second Generation), but they can be retrofitted with vapor control devices. These machines remained in use until the late 1960's. However, there are a few machines still in operation.

### **SECOND GENERATION – DRY-TO-DRY MACHINES**

This machine combines the washer and dryer unit into one machine. This reduces the loss of solvent in the transfer of the clothes from one machine to the other, reduces employee injury, and vents the residual vapor to the atmosphere or external control devices.

### **THIRD GENERATION**

These machines were in use by the late 1970's early 1980's and are like Second Generation machines with more control devices. It is a dry-to-dry system with a built in refrigerated condenser. It is a closed loop system and does not vent to the atmosphere.

### **FOURTH AND FIFTH GENERATION**

These are closed loop systems that do not vent. They have internal vapor recovery devices.

1 - APPLICANT INFORMATION	Contact Person:
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1 <sup>st</sup> Named Insured:	Name:
Mailing Address:	Title:
City / State / Zip:	Phone:

Company is:     Individual     Partnership     Corporation     Joint Venture     Other (describe): \_\_\_\_\_

Year Established: \_\_\_\_\_ Website: \_\_\_\_\_ Date of Application: \_\_\_\_\_

**Please provide the following with this application for fast and accurate processing:**

- Copy of Environmental Health & Safety Audit (if applicable)
- Description of any fines, penalties, or violations

## 2 - REQUESTED COVERAGE

1. Proposed Effective Date: \_\_\_\_\_
2. Limits of Liability Requested:  \$250,000  \$500,000  \$1,000,000  Other: \_\_\_\_\_
3. Deductible Requested:  \$5,000  \$10,000  \$25,000  Other: \_\_\_\_\_
4. Coverage Requested:  Site Pollution Liability Coverage (claims-made)

## 3 - GENERAL INFORMATION

1. Have any waste materials been disposed of, buried or spilled on your property or other property?  Yes  No  
If Yes, describe:
2. Has any location for which you are applying for coverage ever had a leak, spill, release or discharge within the last five (5) years?  Yes  No  
If Yes, describe:
3. Has any location ever received a notice of regulatory violations, or sustained any pollution-related claims, liability lawsuits or complaints from neighbors?  Yes  No  
If Yes, describe:
4. To the best of your knowledge, are you in compliance with all federal, state and local safety, health and environmental regulations and notification requirements?  Yes  No  
If No, describe:
5. Are all machines operated and maintained in accordance with manufacturer specifications and recommendations?  Yes  No
6. When waste solvents are picked up for offsite disposal/recycling, do you receive a manifest from the company collecting the waste?  Yes  No  
If No, describe:
7. Which cleaning solvent is being used or do you use?  Perc  Petroleum  Other: \_\_\_\_\_

Additional Comments:

**4 – FACILITY INFORMATION (Complete this page for EACH facility. Attach additional sheets if necessary.)**

Facility Name	Address

1. How long has this site operated as a dry cleaner? \_\_\_\_\_

2. Who was the previous occupant (and how long)? \_\_\_\_\_

3. Describe the nature, use and operations of adjacent properties:

<b>North:</b>		<b>East:</b>	
<b>South:</b>		<b>West:</b>	

4. How many dry cleaning machines are on the premises? \_\_\_\_\_

What "generation" machines are used? \_\_\_\_\_

What year was each of the machines installed? \_\_\_\_\_

5. If installed prior to 1980, have you retrofitted the machine?  Yes  No

If Yes, what year was the machine retrofitted? \_\_\_\_\_

Describe the upgrades to the machine:

6. How much solvent do you use in each machine per month (working and clean tanks)?

7. Describe any storage of solvent outside of the cleaning unit:

8. Was the cleaning equipment installed prior to 1991?  Yes  No

9. Does each machine have secondary containment? (drip pan, etc.)  Yes  No

10. Do you have an active leak detection program?  Yes  No

What form of leak detection do you utilize? \_\_\_\_\_

11. Is the floor in the work area painted with OSHA-approved paint to resist solvent absorption?  Yes  No

If Yes, what type:  Concrete  Epoxy Coated  Other: \_\_\_\_\_

12. Additional Insured:

<b>Insured Name:</b>	
<b>Mailing Address:</b>	

**5 – CLAIMS**

1. Describe all known pollution related claims or incidents which have occurred at this Scheduled Site.

If *None*, so state:

2. At the time of signing this application, are you aware of any circumstances that may reasonably be expected to give rise to a claim under any of the coverages being sought on this policy?  Yes  No

If *Yes*, please provide details:

3. Loss History: Any prior losses within the past three (3) years?  Yes  No

If *Yes*, describe:

**This Application incorporates all Supplemental Applications submitted in support of the application process.**

**FRAUD WARNING**

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, may be committing a fraudulent insurance act, and may be subject to a civil penalty or fine.

**DO NOT SIGN UNTIL YOU HAVE READ THE CONTENTS OF THIS APPLICATION AND THE FRAUD WARNING. I have reviewed the contents of this application and with my signature, declare that to the best of my knowledge that all statements herein are true and no material facts have been suppressed or misstated. I am also aware that my operation may be inspected by the Insurance Company.**

**SIGN AND DATE**

APPLICANT'S PRINTED NAME	TITLE
APPLICANT'S SIGNATURE	DATE
AGENT OR BROKER'S NAME	LICENSE NO.
AGENT OR BROKER'S SIGNATURE	DATE