

BULLETIN #3 SUBROGATION

Occasionally, the Fund receives claims that are a result of faulty manufacturing, installation or repair work. Spill buckets are a common source of issues regarding eligibility for tank owners and operators.

When a release occurs as a result of a defective spill bucket or other containment equipment, the Fund will reimburse the tank owner for the resulting damages and then seek reimbursement of the monies paid by the Fund as well as applicable deductibles paid by the tank owner from the responsible party.

It is prudent that the tank owner save the defective part or piece of equipment to verify any eligibility questions regarding the release; and to fulfill their obligation to cooperate with the Fund in the investigation of any claim against the manufacturer or installer. In the process of the investigation, the fund's claim staff may ask to inspect or take possession of the defective part to determine eligibility and subrogation potential.