



Underground Storage Tank Indemnification Fund Bulletin 3: Subrogation

The Pennsylvania Underground Storage Tank Indemnification Fund (USTIF) regulations define subrogation as the right of the USTIF to pursue a claim against a third party when the tank owner or operator (hereafter referred to as claimant) have been indemnified by the USTIF. Subrogation recoveries result in savings for the USTIF and recovery of any deductible for the eligible claimant.

When a release occurs as a result of a third party's faulty or improperly installed equipment, or individual negligence, the USTIF will reimburse the eligible claimant for reasonable and necessary corrective action costs resulting from the damages and then seek reimbursement of the monies paid by the USTIF, as well as applicable deductible(s) paid by the claimant, from the responsible party.

The USTIF has the burden of proving damages including payments to the claimant. At the onset of a release or as soon as possible, the claimant must cooperate by preserving any evidence and chain of custody records. This is vital for successful subrogation. The claimant must save the defective part or piece of equipment or any other evidence as proof until a request to inspect or obtain the evidence is requested by the USTIF.

The rights of recovery are assigned to the USTIF. Claimants should refrain from doing or saying anything that would compromise our rights. If you are contemplating any form of litigation in the matter, please inform your attorney(s) that USTIF's interests must be protected should any settlement take place. In the event an insurance representative contacts you please refer them to the USTIF.

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Bureau of Special Funds

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