





ADMINISTRATIVE OFFICE  
 Seaview House  
 70 Seaview Avenue  
 Stamford, CT 06902-6040

HOME OFFICE  
 1201 North Market Street  
 Suite 501  
 Wilmington, DE 19801  
 800-688-1840

COMPANY PROVIDING COVERAGE:  
**Indian Harbor Insurance Company**

**Property Owners Protector Plan Environmental Impairment Liability Master Policy  
 Declarations**

**THIS IS A CLAIMS-MADE AND REPORTED POLICY. THIS POLICY REQUIRES THAT A "CLAIM" BE MADE AGAINST THE "CERTIFICATE HOLDER" DURING THE APPLICABLE "CERTIFICATE PERIOD" AND REPORTED TO THE COMPANY DURING THAT "CERTIFICATE PERIOD" OR, TO THE EXTENT APPLICABLE, THE "EXTENDED REPORTING PERIOD." IN ADDITION, THIS POLICY MAY HAVE PROVISIONS OR REQUIREMENTS THAT ARE DIFFERENT FROM OTHER POLICIES YOU MAY HAVE PURCHASED. VARIOUS PROVISIONS IN THIS POLICY RESTRICT COVERAGE. PLEASE READ THE ENTIRE POLICY CAREFULLY.**

**THIS POLICY CONTAINS PROVISIONS WHICH LIMIT THE AMOUNT OF "LEGAL EXPENSE" THE COMPANY IS RESPONSIBLE TO PAY. "LEGAL EXPENSE" IS INCLUDED WITHIN AND REDUCES THE LIMITS OF LIABILITY STATED IN ITEM 4. OF THE "CERTIFICATE DECLARATIONS." "LEGAL EXPENSE" IS ALSO INCLUDED WITHIN AND REDUCES THE SELF-INSURED RETENTION AMOUNT STATED IN ITEM 5. OF THE "CERTIFICATE DECLARATIONS."**

Policy Number:  
 Renewal of:

1. NAMED INSURED:  
 Address:  
 City/State/Zip:

2. POLICY PERIOD:

From: \_\_\_\_\_ To: \_\_\_\_\_  
 12:01 A.M. standard time at your mailing address shown above.

3. Location(s): See individual certificates

4. Limits of Liability:

a.	See individual \$ certificates	Each Pollution Condition
b.	See individual \$ certificates	Aggregate All Pollution Conditions

5. Self-Insured Retention Amount:  
 Amount: See individual \$ certificates Each Pollution Condition

6. Retroactive Date: See individual certificates

7. Policy Premium: \$ See individual certificates  
 a. Premium for Certified Acts of Terrorism: \$ See individual certificates

8. Policy Minimum Earned Premium: \$ See individual certificates

9. Underground Storage Tank Schedule: See individual certificates

10. Forms and Endorsements Attached to this Policy:

Form No.	Endorsement No.	Form/Endorsement Title
PLLCP 0311		Environmental Impairment Liability Master Policy
XL-FLSOP 0311		Service of Process
PNCW01 0311		Notice to Policyholders – Fraud Notice
PNCW02 0311		Notice to Policyholders – Privacy Policy
PNFL03 0311		Notice to Policyholders
ILMP 9104 0314 IHIC		In Witness

**Agency Name:**

**Address:**

**City/State/Zip:**

**Policy issue date**



(Authorized Representative)



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 Seaview House  
 70 Seaview Avenue  
 Stamford, CT 06902-6040

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 1201 North Market Street  
 Suite 501  
 Wilmington, DE 19801  
 800-688-1840

COMPANY PROVIDING COVERAGE:  
**Indian Harbor Insurance Company**

**Property Owners Protector Plan Environmental Impairment Liability Certificate**

**Certificate Number:**  
**This Certificate forms a part of**  
**Master Policy Number:**  
**Renewal of Master Policy**  
**Number:**

**Certificate Declarations**

**YOUR RISK PURCHASING GROUP MASTER POLICY IS A CLAIMS-MADE AND REPORTED POLICY. PLEASE READ THE ATTACHED MASTER POLICY AND MASTER DECLARATIONS CAREFULLY.**

1. Named Certificate Holder:  
 Address:  
 City/State/Zip:
  
2. Certificate Period:  
  
 From: \_\_\_\_\_ To: \_\_\_\_\_  
 12:01 A.M. standard time at your mailing address shown above.
  
3. Location: **See attached schedule of locations page 3**
  
4. Limits of Liability:  
 a. \$ \_\_\_\_\_ Each Pollution Condition  
 b. \$ \_\_\_\_\_ Aggregate All Pollution Conditions  
  
 Self-Insured Retention
5. Amount: \$ \_\_\_\_\_ Each Pollution Condition
  
6. Retroactive Date:
  
7. Certificate Premium: \$ \_\_\_\_\_  
 a. Premium for Certified Acts of Terrorism: \$ \_\_\_\_\_
  
8. Certificate Minimum Earned Premium: % \_\_\_\_\_

**NOTICE**

Any emergency arising out of a "Pollution Condition" covered by this policy should be **reported immediately** to the On Call 24 hour hotline at **1-800-823-7351**, administered by XL Specialty Claims, a division of the XL Insurance Companies.

9. Underground Storage Tank Schedule:

#	Capacity	Construction Material	Stored Material	Still in use?			
				<input type="checkbox"/>	yes	<input type="checkbox"/>	no
				<input type="checkbox"/>	yes	<input type="checkbox"/>	no
				<input type="checkbox"/>	yes	<input type="checkbox"/>	no
				<input type="checkbox"/>	yes	<input type="checkbox"/>	no
				<input type="checkbox"/>	yes	<input type="checkbox"/>	no

10. Forms and Endorsements Attached to this Policy:

Form No.	Endorsement No.	Form/Endorsement Title
PLLCP 0311		Environmental Impairment Liability Master Policy
XL-FLSOP 0311		Service of Process
PNCW01 0311		Notice to Policyholders – Fraud Notice
PNCW02 0311		Notice to Policyholders – Privacy Policy
PNFL03 0311		Notice to Policyholders
ILMP 9104 0311 IHIC		In Witness
PNFL10 0311		Notice to Policyholders-Surplus Lines

**Agency Name:**

**Address:**

**City/State/Zip:**

**Policy issue date**

FLSO Fee \$

FHCF Fee \$

**SURPLUS LINES INSURERS' POLICY RATES AND FORMS ARE NOT APPROVED BY ANY FLORIDA REGULATORY AGENCY.**

**EACH CERTIFICATE HOLDER UNDERSTANDS AND AGREES THAT IT IS SUBJECT TO, AND BOUND BY, ALL OF THE TERMS AND CONDITIONS SET FORTH IN THE ATTACHED MASTER POLICY.**

**YOUR RISK PURCHASING GROUP MAY NOT BE SUBJECT TO ALL OF THE INSURANCE LAWS AND REGULATIONS OF YOUR STATE. STATE INSURANCE INSOLVENCY GUARANTY FUNDS ARE NOT AVAILABLE FOR YOUR RISK PURCHASING GROUP.**



(Authorized Representative)

# EIL Insured Locations

Location 1:  
Named  
Insured  
Location  
Address

Location  
Town

Location  
ST

Units

Pools

USTs

Sewage

Premium  
\$

## IN WITNESS

### INDIAN HARBOR INSURANCE COMPANY

REGULATORY OFFICE  
505 EAGLEVIEW BOULEVARD, SUITE 100  
DEPARTMENT: REGULATORY  
EXTON, PA 19341-1120  
PHONE: 800-688-1840

It is hereby agreed and understood that the following In Witness Clause supercedes any and all other In Witness clauses in this policy.

All other provisions remain unchanged.

IN WITNESS WHEREOF, the Company has caused this policy to be executed and attested, and, if required by state law, this policy shall not be valid unless countersigned by a duly authorized representative of the Company.



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Joseph Tocco  
President



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Toni Ann Perkins  
Secretary

**INDIAN HARBOR INSURANCE COMPANY  
STAMFORD, CONNECTICUT**  
(A Stock Insurance Company Herein Called the Company)

**PROPERTY OWNERS PROTECTOR PLAN  
ENVIRONMENTAL IMPAIRMENT LIABILITY  
MASTER POLICY**

THIS IS A CLAIMS-MADE AND REPORTED POLICY. THIS POLICY REQUIRES THAT A "CLAIM" BE MADE AGAINST THE "CERTIFICATE HOLDER" DURING THE "CERTIFICATE PERIOD" APPLICABLE TO THE "CERTIFICATE HOLDER" AND REPORTED TO THE COMPANY DURING SUCH "CERTIFICATE PERIOD" OR, TO THE EXTENT APPLICABLE, THE "EXTENDED REPORTING PERIOD." IN ADDITION, THIS POLICY MAY HAVE PROVISIONS OR REQUIREMENTS THAT ARE DIFFERENT FROM OTHER POLICIES THE "NAMED INSURED" OR "CERTIFICATE HOLDER" MAY HAVE PURCHASED. VARIOUS PROVISIONS IN THIS POLICY RESTRICT COVERAGE. PLEASE READ THE ENTIRE POLICY CAREFULLY.

THIS POLICY CONTAINS PROVISIONS WHICH LIMIT THE AMOUNT OF "LEGAL EXPENSE" THE COMPANY IS RESPONSIBLE TO PAY. "LEGAL EXPENSE" IS INCLUDED WITHIN AND REDUCES THE LIMITS OF LIABILITY SET FORTH IN ITEM 4. OF THE "CERTIFICATE DECLARATIONS." "LEGAL EXPENSE" IS ALSO INCLUDED WITHIN AND REDUCES THE SELF-INSURED RETENTION AMOUNT SET FORTH IN ITEM 5. OF THE "CERTIFICATE DECLARATIONS".

WORDS AND PHRASES THAT APPEAR IN QUOTATION MARKS HAVE SPECIAL MEANING. PLEASE REFER TO SECTION VI. DEFINITIONS.

IN CONSIDERATION OF THE PAYMENT OF ALL CERTIFICATE PREMIUMS, AND IN RELIANCE UPON THE STATEMENTS CONTAINED IN THE APPLICATION AND OTHER INFORMATION FURNISHED TO THE COMPANY IN CONNECTION THEREWITH, AND SUBJECT TO THE LIMITS OF LIABILITY, SELF-INSURED RETENTION AMOUNTS, AND ALL OTHER TERMS AND CONDITIONS OF THIS POLICY, THE COMPANY AND EACH "NAMED INSURED" AND "CERTIFICATE HOLDER" AGREE AS FOLLOWS:

**I. ENVIRONMENTAL IMPAIRMENT LIABILITY COVERAGE**

**A. INSURING AGREEMENT**

1. The Company will pay those sums that the "Certificate Holder" becomes legally obligated to pay as compensatory damages or "Cleanup Costs" because of "Loss" or "Environmental Damage" caused by a "Pollution Condition," provided that:
  - (i) the "Loss" or "Environmental Damage" is caused by a "Pollution Condition" on, at, under or migrating from the location shown in Item 3. of the "Certificate Declarations";
  - (ii) the "Pollution Condition" results in a "Claim" against the "Certificate Holder";

- (iii) the "Claim" against the "Certificate Holder" is brought and maintained at all times in the "Coverage Territory";
- (iv) the "Claim" is first made against the "Certificate Holder" during the "Certificate Period"; and
- (v) the "Claim" is reported by the "Certificate Holder" to the Company, in writing, during the "Certificate Period" or, to the extent applicable, the "Extended Reporting Period."

The Company has the right and duty to defend any "Claim" against the "Certificate Holder" seeking compensatory damages or "Cleanup Costs" to which this insurance applies. However, the Company has no duty to defend the "Certificate Holder" against any "Claim" to which this insurance does not apply.

When the Company has the duty to defend, the Company will pay on behalf of the "Certificate Holder" "Legal Expense" incurred as a result of the "Claim" against the "Certificate Holder" seeking compensatory damages or "Cleanup Costs" because of "Loss" to which this insurance applies.

2. The Company will pay on behalf of the "Certificate Holder" "Cleanup Costs" because of "Environmental Damage" resulting from a "Pollution Condition" on, at, under or migrating from the location shown in Item 3. of the "Certificate Declarations", provided that the "Environmental Damage" results from a "Pollution Condition" that:
  - (i) is first discovered during the "Certificate Period";
  - (ii) is reported to the Company, in writing, during such "Certificate Period" or, to the extent applicable, the "Extended Reporting Period"; and
  - (iii) takes place in the "Coverage Territory".

The Company will pay on behalf of the "Certificate Holder" "Legal Expense" incurred as a result of "Cleanup Costs" because of "Environmental Damage" to which this insurance applies.

3. "Legal Expense" applies to and reduces the applicable limit of liability stated in the "Certificate Declarations," and also applies to and reduces the Self-Insured Retention Amount for Each Pollution Condition set forth in Item 5. of the "Certificate Declarations".
4. The Company may, at its discretion, investigate any "Pollution Condition," "Loss" or "Environmental Damage" and settle any "Claim" that may result. However, the amount the Company will pay for compensatory damages, "Cleanup Costs" and "Legal Expense" is limited as described in Section III and other parts of this policy.

The Company's obligations, if any, to pay compensatory damages, "Cleanup Costs" or "Legal Expense", or to defend any "Claim" under this insurance end once the applicable limit of liability has been used up by payment of compensatory damages, "Cleanup Costs" or "Legal Expense," or any combination thereof.

5. No other obligation or liability to pay sums or perform acts or services is covered under this policy.

## II. EXCLUSIONS

This insurance does not apply to:

### A. KNOWN CIRCUMSTANCE OR CONDITION

1. any "Pollution Condition," "Loss," "Environmental Damage" or "Claim" known by any "Certificate Holder" prior to the inception of the "Certificate Period"; or
2. a circumstance or condition known by any "Certificate Holder" prior to the inception of the "Certificate Period" where a "Certificate Holder" knew or should have reasonably foreseen that a "Pollution Condition," "Loss," "Environmental Damage," "Cleanup Costs," "Legal Expense" or "Claim" would result.

### B. FINES, PENALTIES, PUNITIVE AND MULTIPLE DAMAGES

any actual or alleged "Claim" or liability for, or amount consisting of: (i) a fine or penalty (whether civil, criminal, administrative or otherwise); (ii) punitive or exemplary damages; or (iii) multiplied damages.

### C. EQUITABLE OR INJUNCTIVE RELIEF

any actual or alleged "Claim" or liability for equitable relief, restitution or the return of money for work or services.

### D. EMPLOYER'S LIABILITY

"Bodily Injury" to:

1. a "Certificate Holder";
2. an employee of a "Certificate Holder" arising out of and in the course of:
  - a. Employment by a "Certificate Holder"; or
  - b. Performing duties related to the conduct of a "Certificate Holder"'s business; or
3. The spouse (including the domestic partner or civil union partner), child, parent, brother or sister of person described in subparagraphs 1. and 2. above.

This exclusion applies whether the "Certificate Holder" may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

**E. WORKERS' COMPENSATION AND SIMILAR LAWS**

any obligation of a "Certificate Holder" under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

**F. CONTRACTUAL LIABILITY**

1. any "Claim" for breach of contract or agreement; or
2. any "Loss" or "Environmental Damage" for which a "Certificate Holder" is obligated to pay damages or "Cleanup Costs" by reason of the assumption of liability in a contract or agreement.

However, this exclusion does not apply to liability for damages:

- (i) that the "Certificate Holder" would have in the absence of such contract or agreement; or
- (ii) assumed in a contract or agreement that is an "Insured Contract", provided that the "Pollution Condition" applicable to the "Claim," "Loss" or "Environmental Damage" first commenced after the "Named Certificate Holder" signed the "Insured Contract."

**G. PROPERTY**

"Property Damage" to property owned, leased or operated by, or in the care, custody or control of any "Certificate Holder".

This exclusion does not apply to "Cleanup Costs" incurred solely and directly for "Environmental Damage."

**H. TRANSPORTATION**

any "Claim," "Loss," "Environmental Damage" or "Pollution Condition" arising out of the ownership, operation, maintenance, use, loading, unloading or entrustment to others of any motorized land vehicle (including any automobile, tractor, trailer or semi-trailer), aircraft, watercraft, locomotive, rolling stock or any other mode of motorized transportation, including any equipment, machinery or apparatus attached thereto or cargo carried thereby, beyond the legal boundaries of the location shown in Item 3. of the "Certificate Declarations."

**I. DIVESTED PROPERTY**

any "Claim," "Loss" or "Environmental Damage" arising out of a "Pollution Condition" on, at, under or migrating from the location shown in Item 3. of the "Certificate Declarations," where the actual discharge, dispersal, release, escape, seepage or migration of "Pollutants" commenced after the time such location is sold, given away or abandoned by any "Certificate Holder," or is condemned.

**J. NUCLEAR OR RADIOACTIVE WASTE AND MATERIALS**

any "Claim," "Loss," "Environmental Damage" or "Pollution Condition" which would have not occurred, in whole or in part, but for the actual, alleged or threatened contact with,

exposure to, existence of or presence of any nuclear or radioactive material, waste or condition.

This exclusion applies regardless of the cause of the "Claim," "Loss," "Environmental Damage" or "Pollution Condition."

**K. GOODS, PRODUCTS OR MATERIALS**

any "Claim," "Loss," "Environmental Damage" or "Pollution Condition" arising out of any goods, materials or products manufactured, sold, distributed, designed, handled, supplied, altered, repaired or disposed of by any "Certificate Holder" or by others under license or trading under a "Certificate Holder"'s name. However, this exclusion applies only if the "Pollution Condition" occurs away from the location shown in Item 3. of the "Certificate Declarations" and after physical possession of such goods, materials or products has been relinquished to others.

**L. INTENTIONAL ACTS**

any "Claim," "Loss," "Environmental Damage" or "Pollution Condition" arising out of any actual or alleged:

1. Intentional disregard of, or non-compliance with any statute, regulation, ordinance, law or order by or at the direction of any "Certificate Holder" or its agent; or
2. Fraudulent, dishonest or malicious conduct by or at the direction of any "Certificate Holder" or its agent.

**M. HOSTILE ACTS AND TERRORISM**

any "Claim," "Loss," "Environmental Damage" or "Pollution Condition" arising from any consequence, whether direct or indirect, of war, invasion, act of foreign enemy, hostilities (including but not limited to "Terrorism", and whether war be declared or not), civil war, rebellion, revolution, insurrection, military action, usurped power, strike, riot or civil commotion.

This exclusion applies regardless of any other cause of event that contributes concurrently or in any sequence to the "Claim", "Loss", "Environmental Damage" or "Pollution Condition".

**N. MOLD MATTER**

any "Claim," "Loss," "Environmental Damage" or "Pollution Condition" which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "Mold Matter" on or within a building or structure, including its contents.

This exclusion applies regardless of the cause of the "Claim," "Loss," "Environmental Damage," "Pollution Condition," "Mold Matter."

**O. ASBESTOS**

any "Claim," "Loss," "Environmental Damage" or "Pollution Condition" which would not have occurred, in whole or in part, but for the actual, alleged or threatened existence of, presence of, inhalation of, ingestion of, use of, handling of, contact with or exposure to asbestos in any form, including products containing asbestos, asbestos fibers, asbestos dust and asbestos containing materials.

This exclusion applies regardless of: (i) the cause of the Claim," "Loss," "Environmental Damage" or "Pollution Condition," or (ii) whether the "Claim," "Loss," "Environmental Damage" or "Pollution Condition" is related to any product, services or operations of a "Certificate Holder."

**P. LEAD**

Any "Claim," "Loss," "Environmental Damage" or "Pollution Condition" which would not have occurred, in whole or in part, but for the actual, alleged or threatened existence of, presence of, inhalation of, ingestion of, use of, handling of, contact with or exposure to lead, lead-based paint or any material containing lead or lead-based paint.

This exclusion applies regardless of: (i) the cause of the Claim," "Loss," "Environmental Damage" or "Pollution Condition," or (ii) whether the "Claim," "Loss," "Environmental Damage" or "Pollution Condition" is related to any product, services or operations of a "Certificate Holder."

**Q. DRYWALL**

any "Claim," "Loss," "Environmental Damage" or "Pollution Condition" which would not have occurred, in whole or in part, but for the actual, alleged or threatened existence of, presence of, handling of, contact with, exposure to or off-gassing from drywall, plasterboard, sheetrock or gypsum board including, but not limited to, any "Loss" or "Environmental Damage" actually or allegedly resulting from gasses emitted from such drywall, plasterboard, sheetrock or gypsum board.

**R. OFFSHORE OIL AND GAS**

any "Pollution Condition" that: (i) arises out of "offshore" energy, oil or gas exploration, drilling, production or operations; and (ii) first commenced beyond the legal boundaries of the location shown in Item 3. of the "Certificate Declarations."

For the purpose of this exclusion, "offshore" means above, on, in or under the sea or ocean.

**S. UNDERGROUND STORAGE TANKS**

any "Claim," "Loss," "Environmental Damage" or "Pollution Condition" arising out of the past or current existence of any "Underground Storage Tank" or associated piping on, at or under any location shown in Item 3. of the "Certificate Declarations," but only if the existence of the "Underground Storage Tank" is known to any "Certificate Holder." This exclusion does not apply to an "Underground Storage Tank" and associated piping, if any, described in Item 9. of the "Certificate Declarations."

**T. UNIT AND PRIVATE STORAGE AREA**

any "Claim," "Loss," "Environmental Damage" or "Pollution Condition" arising out of a "Pollution Condition" in, at or migrating from a "Unit" or private storage area.

**U. RETROACTIVE DATE**

Any "Claim," "Loss" or "Environmental Damage" arising out of a "Pollution Condition" that commenced before the Retroactive Date shown in Item 6. of the "Certificate Declarations." For the purpose of this exclusion, a "Pollution Condition" that commenced before the Retroactive Date shown in Item 6. of the "Certificate Declarations" includes any dispersal, migration or further movement of any "Pollutants" associated with such "Pollution Condition" on or after the Retroactive Date shown in Item 6. of the "Certificate Declarations."

**V. NON-CUMULATION**

any "Claim," "Loss" or "Environmental Damage" arising out of a "Pollution Condition," including the same, related or continuous "Pollution Condition," where such "Pollution Condition" was previously reported to the Company in connection with any Certificate or policy issued by the Company or any organization affiliated with the Company. This exclusion applies regardless of the number of "Claim"s, the number of persons or organizations included within the definition of "Certificate Holder," the number of claimants who make a "Claim" or the number of Certificates issued or renewed by the Company or any organization affiliated with the Company.

**III. LIMITS OF LIABILITY AND SELF-INSURED RETENTION AMOUNTS**

- A. The Limits of Liability shown in each Certificate Declarations and the rules below fix the most the Company will pay regardless of the number of: (i) "Claim"s; (ii) persons or organizations included within the definition of "Certificate Holder"; (iii) claimants who make a "Claim" against a "Certificate Holder"; or (iv) "Pollution Conditions."
1. The amount stated in Item 4.b. of the "Certificate Declarations" as the Aggregate All Pollution Conditions limit of liability is the most the Company will pay under the applicable Certificate for all damages, "Cleanup Costs" and "Legal Expense" for which insurance is afforded under this policy. The Company's total liability for all insurance afforded under the applicable Certificate, combined, will not exceed the Aggregate All Pollution Conditions limit of liability shown in Item 4.b. of the "Certificate Declarations."
  2. Subject to subparagraph 1. above, the amount stated in Item 4.a. of the "Certificate Declarations" as the Each Pollution Condition limit of liability is the most the Company will pay under the applicable Certificate for all damages, "Cleanup Costs" and "Legal Expense" arising out of a single "Pollution Condition" for which insurance is afforded under this policy. All "Claim"s, "Loss," "Environmental Damage," "Cleanup Costs," damages and "Legal Expense" arising out of the same, related, repeated or continuous "Pollution Condition" shall be considered to arise out of a single "Pollution Condition," and shall be subject to the Each Pollution Condition limit of liability stated in Item 4.a. of the "Certificate Declarations."

3. The Self-Insured Retention Amount for Each Pollution Condition stated in Item 5. of the "Certificate Declarations" applies separately to each "Pollution Condition" under the applicable Certificate.
  4. The Company's liability for all "Claim"s, "Pollution Condition"s, "Loss," "Environmental Damage," "Cleanup Costs," damages and "Legal Expense" shall not exceed the Limits of Liability stated in Item 4.b. of the "Certificate Declarations" under the applicable Certificate.
  5. The Company's liability for all "Claim"s, "Pollution Condition"s, "Loss," "Environmental Damage," "Cleanup Costs," damages and "Legal Expense" arising out of a single "Pollution Condition" shall not exceed the Limits of Liability stated in Item 4.a. of the "Certificate Declarations" under the applicable Certificate.
- B. "Legal Expense" is part of, and not in addition to, the applicable Limits of Liability. The payment of "Legal Expense" by the Company reduces, and may exhaust, the applicable Limits of Liability.
- C. Subject to the Limits of Liability stated in Item 4. of the "Certificate Declarations," the Company is liable only for that portion of compensatory damages, "Cleanup Costs" and "Legal Expense" that exceeds the Self-Insured Retention Amount for Each Pollution Condition stated in Item 5. of the "Certificate Declarations" under the applicable Certificate. The "Certificate Holder" must bear the Self-Insured Retention Amount at its own expense, and the "Certificate Holder" is not permitted to insure the Self-Insured Retention Amount without the prior written consent of the Company. The Company may pay any part or all of the "Certificate Holder"'s Self-Insured Retention Amount to settle a "Claim," and the "Named Certificate Holder" agrees to promptly reimburse the Company for the part of any Self-Insured Retention Amount paid by the Company.
- D. Notwithstanding anything to the contrary in this policy or any other policy issued by the Company or a company affiliated with the Company, under no circumstances will the limits of liability of more than one Certificate apply to:
1. any "Loss," "Environmental Damage" or "Pollution Condition" that occurs or continues through more than one "Certificate Period" of two or more Certificates issued by us or a company affiliated with us; or
  2. "Claim"s, "Loss"es or "Environmental Damage" arising out of the same, related, repeated or continuous "Pollution Condition"s.

#### **IV. EXTENDED REPORTING PERIOD**

##### **A. EXTENDED REPORTING PERIOD**

The "Certificate Holder" shall be entitled to a sixty (60) day Extended Reporting Period for no additional premium, commencing on the last day of the "Certificate Period," subject to the following terms and conditions.

1. The Extended Reporting Period shall apply to a "Claim" first made against the "Certificate Holder" during the "Certificate Period" and reported to the Company, in writing, by the "Certificate Holder" during the Extended Reporting Period, provided that this insurance otherwise applies to such "Claim."

2. The Extended Reporting Period shall also apply to a "Claim" first made against the "Certificate Holder" during the Extended Reporting Period, resulting from any "Pollution Condition" first discovered and reported to the Company, in writing, by the "Certificate Holder" during the "Certificate Period," provided that this insurance otherwise applies to such "Claim." In this case, the "Claim" shall be deemed to have been made against the "Certificate Holder" on the last day of the "Certificate Period."
3. For the purposes of insurance under Section I.A.2. only, the Extended Reporting Period shall also apply to any "Pollution Condition" first discovered by the "Certificate Holder" during the "Certificate Period" and reported to the Company, in writing, by the "Certificate Holder" during the Extended Reporting Period, provided that this insurance otherwise applies to such "Pollution Condition."

The sixty (60) day Extended Reporting Period does not apply where this policy or the applicable Certificate is cancelled or rescinded on the basis of fraud, misrepresentation or non-payment of premium as described in Section V. CONDITIONS, C. CANCELLATION.

## **V. CONDITIONS**

### **A. CERTIFICATE PERIOD REQUIREMENT**

As a condition precedent to coverage under a specific Certificate, the effective date of the "Certificate Period" of such Certificate must be within the "Policy Period."

### **B. INSPECTION AND AUDIT**

The Company shall be permitted but not obligated to inspect and monitor, on a continuing basis and at any time, the property and operations at a location shown in Item 3. of the "Certificate Declarations." Neither the Company's right to inspect and monitor, nor the actual undertaking thereof, nor any report generated as a result of any inspection or monitoring, shall constitute an undertaking, on behalf of the "Certificate Holder," to determine or warrant that such property or operations are safe, healthful or conform to acceptable engineering practices or are in compliance with any law, rule or regulation. Access for the inspection and audit may be coordinated through the broker or agent of the "Named Certificate Holder."

### **C. CANCELLATION**

Each "Named Insured" and "Certificate Holder" agrees to the following with regard to cancellation:

1. Cancellation of a Single Certificate by the "Named Certificate Holder"
  - (i) A Certificate may be canceled by the "Named Certificate Holder" by surrender thereof to the Company or any of its authorized agents or by mailing to the Company written notice stating when thereafter the cancellation shall be effective. The mailing of such written notice shall be sufficient proof of notice of cancellation. The time of surrender or the effective date and hour of cancellation stated in the notice shall become the end of the "Certificate Period." Confirmed delivery of such written notice by the "Named Certificate Holder" shall be equivalent to mailing.

- (ii) The Certificate Minimum Earned Premium will be the percentage stated in Item 7. of the "Certificate Declarations" of the total Certificate Premium stated in Item 6. of the "Certificate Declarations." This means that the percentage stated in Item 7. of the "Certificate Declarations" of the total Certificate Premium stated in Item 6. of the "Certificate Declarations" is fully earned by the Company at the inception of the "Certificate Period", and the "Named Certificate Holder" is not entitled to any return of the Certificate Minimum Earned Premium upon cancellation by the "Named Certificate Holder."
- (iii) If the Certificate Minimum Earned Premium is less than one hundred percent (100%) of the total Certificate Premium stated in Item 6. of the "Certificate Declarations," and the "Named Certificate Holder" cancels the Certificate, then the amount of Certificate Premium returnable after the Certificate Minimum Earned Premium is retained by the Company shall be computed in accordance with the customary short rate table and procedure.

2. Cancellation of a Single Certificate by the Company

- (i) A Certificate may be canceled by the Company by mailing to the "Named Insured" at the address shown in Item 1. of the Property Owners Protector Plan Environmental Impairment Liability Master Policy Declarations, written notice stating when not less than sixty (60) days [or ten (10) days if a ground for cancellation is non-payment of the Certificate Premium] thereafter such cancellation shall be effective. The mailing of such written notice shall be sufficient proof of notice of cancellation of the Certificate. The effective date and hour of cancellation stated in the notice shall become the end of the "Certificate Period."
- (ii) The Company may cancel a Certificate at any time, but only for the following reasons:
  - a. a "Certificate Holder" has made a material misrepresentation which affects the Company's assessment of the risk of insuring a location shown in Item 3. of the "Certificate Declarations"; or
  - b. a "Certificate Holder" breaches or fails to comply with any policy terms, conditions, contractual duties, or any of its obligations under the certificate, this policy or at law; or
  - c. the "Named Certificate Holder" fails to pay the Certificate Premium or the "Certificate Holder" fails to pay any Self-Insured Retention Amount stated in Item 5. of the "Certificate Declarations."

If the Company cancels a Certificate, then the amount of Certificate Premium returnable to the "Named Certificate Holder" shall be computed pro rata and no Certificate Minimum Earned Premium shall apply.

In the event of cancellation of a Certificate by the Company on the basis of Item b. above, the "Certificate Holder" shall have sixty (60) days from

the date of notice to remedy such breach or failure to comply that is the cause for cancellation. If such remedy is satisfactory to the Company, in its sole discretion, during the applicable notice period, the Company will rescind the Notice of Cancellation with a written confirmation to the "Named Insured" at the address shown in Item 1. of the Property Owners Protector Plan Environmental Impairment Liability Master Policy Declarations that the Certificate shall remain in place.

3. Cancellation of the Master Policy

- (i) The Company may cancel this policy by mailing to the "Named Insured" at the address shown in Item 1. of the Property Owners Protector Plan Environmental Impairment Liability Master Policy Declarations, written notice stating when not less than sixty (60) days thereafter such cancellation shall be effective. The mailing of such written notice shall be sufficient proof of notice of cancellation of the policy. The effective date and hour of cancellation stated in the notice shall become the end of the "Policy Period."
- (ii) The "Named Insured" shown in Item 1. of the Property Owners Protector Plan Environmental Impairment Liability Master Policy Declarations may cancel this policy by surrendering this policy to the Company or any of its authorized agents or by mailing to the Company written notice stating when thereafter the cancellation of the policy shall be effective. The mailing of such written notice shall be sufficient proof of notice of cancellation of the policy. The time of surrender or the effective date and hour of cancellation stated in the notice shall become the end of the "Policy Period." Confirmed delivery of such written notice by the "Named Insured" shown in Item 1. of the Property Owners Protector Plan Environmental Impairment Liability Master Policy Declarations shall be equivalent to mailing.
- (iii) Cancellation of the policy shall have no effect on the Certificates issued prior to the effective date of cancellation of the policy. Such Certificates shall remain in force until their expiration date or earlier cancellation date in accordance with subparagraphs C.1. and C.2. of Section V. CONDITIONS.
- (iv) Notwithstanding the cancellation of the policy, the terms and conditions of the policy shall apply to the Certificates issued during the time the policy was in effect and still in force.
- (v) No Certificate can be issued after the effective date of cancellation of the policy.

4. With regard to subparagraphs C.1. and C.2. of Section V. CONDITIONS:

- (i) The premium adjustment may be made either at the time cancellation is affected or as soon as practicable after cancellation becomes effective, but payment or tender of unearned premium is not a condition of cancellation; and
- (ii) If a "Claim" is made against a "Certificate Holder," and the "Pollution Condition" related to such "Claim" is discovered or coverage is requested

from the Company by the "Certificate Holder" during the "Certificate Period" or, where applicable, the Automatic Extended Reporting Period or Optional Extended Reporting Period, then the Certificate Premium shall be considered one hundred percent (100%) earned, and the "Certificate Holder" is not entitled to any return of Certificate Premium upon cancellation.

**D. LEGAL ACTION AGAINST THE COMPANY**

No action shall lie against the Company unless, as a condition precedent thereto:

1. the "Named Insured" and "Certificate Holder" have fully complied with all of the terms of this policy; and
2. the amount the "Certificate Holder" is obligated to pay has been finally determined either by judgment against the "Certificate Holder" after an actual trial or by written agreement of the "Certificate Holder," the claimant and the Company.

Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this policy to the extent of the insurance afforded by this policy. No person or organization shall have any right under this policy to join the Company as a party to any action against the "Certificate Holder" to determine the "Certificate Holder"'s liability, nor shall the Company be impleaded by the "Certificate Holder" or its legal representative.

**E. BANKRUPTCY**

Bankruptcy or insolvency of the "Certificate Holder" or of the "Certificate Holder"'s estate will not relieve the Company of its obligation under this Coverage Part.

**F. DUTIES IN THE EVENT OF A POLLUTION CONDITION OR CLAIM**

As a condition precedent to the coverage under this policy:

1. The "Certificate Holder" must see to it that the Company is notified as soon as practicable of any "Pollution Condition" or "Claim" seeking damages or "Cleanup Costs". To the extent possible, notice should include:
  - a. How, when and where the "Pollution Condition" or "Claim" came about;
  - b. The names and addresses of any person involved and/or having knowledge of the "Pollution Condition" or "Claim"; and
  - c. The nature of any resulting harm or damage.
2. In the event of oral notification, the "Certificate Holder" agrees to furnish a written report to the Company as soon as practicable.
3. If a "Claim" is made against or received by a "Certificate Holder," the "Certificate Holder" must:
  - a. Immediately record the specifics of the "Claim" and the date it was received;

- b. Notify the Company as soon as practicable; and
  - c. Provide written notice of the "Claim."
4. The "Certificate Holder" must:
- a. Immediately send the Company copies of any demands, notices, summonses, or legal papers received in connection with the "Claim";
  - b. Authorize the Company to obtain records and other information;
  - c. Cooperate with the Company in the investigation, settlement, or defense of the "Claim"; and
  - d. Assist the Company, upon its request, in the enforcement of any right against any person or organization which may be liable to the "Certificate Holder" because of "Loss" to which this insurance may apply.
5. No "Certificate Holder" will, except at its own cost, voluntarily make a payment, assume any obligation, admit liability, or incur any expense without the Company's consent. This provision does not apply to emergency response costs. Emergency response costs are any reasonable costs that need to be incurred immediately where any delay in response would cause significant harm to human health or the environment.

#### **G. REPRESENTATIONS**

In granting coverage under this policy to each "Certificate Holder," the Company has relied upon the declarations and statements in the written application for coverage and materials furnished to the Company in connection therewith. The declarations and statements are the basis of coverage and will be considered as incorporated in and constituting part of this policy. The written application for coverage and materials furnished to the Company in connection therewith will be construed as a separate application for coverage by each "Certificate Holder."

#### **H. OTHER INSURANCE**

Subject to Section III., LIMITS OF LIABILITY AND SELF-INSURED RETENTION AMOUNTS, this insurance shall be in excess of the Self-Insured Retention Amount stated in Item 5. of the "Certificate Declarations" and any other valid and collectible insurance available to the "Certificate Holder," whether such other insurance is stated to be primary, pro-rata, contributory, excess, contingent or otherwise, unless such other insurance is written only as specific excess insurance over the Limits of Liability provided in the "Certificate Declarations."

#### **I. ASSIGNMENT**

This policy shall be void as to any assignee or transferee if the policy is assigned or transferred without the written consent of the Company. Such consent shall not be unreasonably withheld or delayed by the Company.

**J. SUBROGATION**

In the event of any payment under this policy, the Company shall be subrogated to all the "Certificate Holder"'s rights of recovery against any person or organization and the "Certificate Holder" shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The "Certificate Holder" shall do nothing at any time to prejudice such rights.

**K. CHANGES**

Notice to any agent or knowledge possessed by any agent or by any other person shall not effect a waiver or a change in any part of this policy or estop the Company from asserting any right under the terms of this policy, nor shall the terms of this policy be waived or changed, except by endorsement issued to form a part of this policy.

**L. SOLE AGENT**

The "Named Insured" stated in Item 1. of the Property Owners Protector Plan Environmental Impairment Liability Master Policy Declarations shall act on behalf of all "Certificate Holder"'s for the payment or return of Certificate Premium, the receipt and acceptance of any endorsement issued to form a part of this policy, and giving and receiving notice of cancellation or non-renewal of this policy or a Certificate.

**M. HEADINGS**

The descriptions in the headings of this policy are solely for convenience and form no part of this policy terms and conditions.

**N. SEVERABILITY**

Except with respect to Limits of Liability, and any rights and duties assigned in this policy to the "Named Insured" or "Named Certificate Holder," this insurance applies as if each "Certificate Holder" were the only "Certificate Holder" and separately to each "Certificate Holder" against whom a "Claim" is made.

**VI. DEFINITIONS**

A. "Bodily Injury" means physical injury, sickness, disease, mental anguish or shock sustained by a person, including death resulting therefrom.

B. "Certificate Declarations" mean the Certificate Declarations applicable to the "Certificate Holder."

C. "Certificate Holder" means:

- (1) the "Named Certificate Holder" shown in Item 1. of the "Certificate Declarations";
- (2) any person or organization who was, is or becomes a director, trustee, officer, employee or member of the "Named Certificate Holder," but only while acting on behalf of the "Named Certificate Holder" and within the scope of their duties as such;

- (3) any member of the "Named Certificate Holder" while acting at the direction and on behalf of the "Named Certificate Holder" in a voluntary capacity, but only while performing duties relating to the conduct of the business of the "Named Certificate Holder";
- (4) in the event that a "Certificate Holder" becomes deceased, the estate, heirs, executors, administrators and legal representatives of the "Certificate Holder," but only to the extent that such "Certificate Holder" would otherwise be provided coverage under this policy; and
- (5) any organization or person, other than an employee of the "Named Certificate Holder," while acting as the real estate manager for the "Named Certificate Holder."

However, notwithstanding anything to the contrary in this policy, "Certificate Holder" does not include any of the following persons or organizations: (a) any "Certificate Holder"'s builder, developer or sponsor; or (b) any person or organization affiliated in any manner with a "Certificate Holder"'s builder, developer or sponsor.

- D. "Certificate Period" means the period of time set forth in Item 2. of the "Certificate Declarations," or any shorter period that may occur as a result of a cancellation of the applicable Certificate. The "Certificate Period" specifically excludes any "Extended Reporting Period."
- E. "Claim" means a lawsuit or governmental action or proceeding alleging legal liability on the part of the "Certificate Holder."
- F. "Cleanup Costs" mean expenses resulting from a "Pollution Condition" and incurred to investigate, assess, remove, dispose of, abate, contain, treat or neutralize the "Pollution Condition," but only if and to the extent such expenses are incurred as a result of a federal, state or local statute, regulation or ordinance that requires the "Certificate Holder" to incur such expenses to address the "Pollution Condition."
- G. "Coverage Territory" means the United States and its territories and possessions.
- H. "Environmental Damage" means physical damage to the land, the atmosphere or a watercourse or body of water, caused by a "Pollution Condition" and resulting in "Cleanup Costs."
- I. "Extended Reporting Period" means the Extended Reporting Period described in Section IV. EXTENDED REPORTING PERIOD of this policy.
- J. "Insured Contract" means that part of any written contract or written agreement solely pertaining to the business of the "Named Certificate Holder" under which the "Named Certificate Holder" assumes the tort liability of another party to pay for "Loss" or "Environmental Damage," provided such "Loss" or "Environmental Damage" is caused, in whole or in part, by the "Named Certificate Holder" or those acting on its behalf. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Notwithstanding anything above to the contrary, "Insured Contract" does not include any contract or agreement, or part thereof, pertaining to a lease of premises, whether such premises are used for residential, commercial or other purposes.

K. "Legal Expense" means reasonable and necessary legal fees and legal expenses incurred: (i) in the investigation and defense of a "Claim" against the "Certificate Holder" seeking compensatory damages or "Cleanup Costs" because of "Loss" or "Environmental Damage" to which this insurance applies; or (ii) in connection with "Cleanup Costs" because of "Environmental Damage" to which this insurance applies.

"Legal Expense" does not include any: (a) fee, cost or expense incurred by a "Certificate Holder" in assisting in the investigation, defense or resolution of a "Claim"; (b) salary or expense of a "Certificate Holder"; or (c) fee, cost or expense of supervisory counsel retained by a "Certificate Holder."

L. "Loss" means "Bodily Injury" or "Property Damage."

M. "Mold Matter" means mold, mildew or any type or form of fungus, including mycotoxins, spores or by-products produced or released by fungi.

N. "Named Certificate Holder" means the person or organization shown in Item 1. of the "Certificate Declarations".

O. "Named Insured" means the person or organization shown in Item 1. of the Property Owners Protector Plan Environmental Impairment Liability Master Policy Declarations.

P. "Policy Period" means the period set forth in Item 2. of the Property Owners Protector Plan Environmental Impairment Liability Master Policy Declarations, or any shorter period that may occur as a result of a cancellation of this policy.

Q. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

R. "Pollution Condition" means the discharge, dispersal, release, escape, seepage or migration of "pollutants" into or upon land, structures on land, the atmosphere or any watercourse or body of water, including groundwater.

S. "Property Damage" means:

(1) Physical injury to tangible property, including all resulting loss of use of that property;

(2) Loss of use of tangible property that is not physically injured; or

(3) Diminished third party property value.

However, "Property Damage" does not include "Environmental Damage."

T. "Terrorism" means the commission or threat of:

(1) an act of force or violence;

(2) an act otherwise dangerous to any person, property, animals or the environment, including, but not limited to a "Pollution Condition";

- (3) an act which disrupts or interferes with any of the following public or private systems: communication, electronic, information, mechanical, delivery or transportation;

where the stated or implied purpose or effect of any such act or threat is to cause chaos; to intimidate, coerce or disrupt a government, the military or civilian population or any portion thereof, or any segment of business, industry or the economy; or to further political, ideological, religious, social or economic objectives; or to express (or express opposition to) a philosophy or ideology.

- U. "Underground Storage Tank" means a stationary container or vessel, including the associated piping connected thereto, which is ten percent (10%) or more beneath the surface of the ground and is: (i) constructed primarily of non-earthen materials; and (ii) designed to contain any substance.
- V. "Unit" means that portion of real property designated for separate ownership or occupancy, regardless of whether such separate ownership or occupancy is intended for residential or commercial purposes.

# NOTICE TO POLICYHOLDERS

## FRAUD NOTICE

<b>Arkansas</b>	Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.
<b>Colorado</b>	It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claiming with regard to a settlement or award payable for insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.
<b>District of Columbia</b>	<b>WARNING:</b> It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.
<b>Florida</b>	Any person who knowingly and with intent to injure, defraud, or deceive any insurance company files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony of the third degree.
<b>Hawaii</b>	For your protection, Hawaii law requires you to be informed that presenting a fraudulent claim for payment of a loss or benefit is a crime punishable by fines or imprisonment, or both.
<b>Kentucky</b>	Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime.
<b>Louisiana</b>	Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.
<b>Maine</b>	It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines, or denial of insurance benefits.
<b>Maryland</b>	Any person who knowingly and willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly and willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

## NOTICE TO POLICYHOLDERS

<b>New Jersey</b>	Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.
<b>New Mexico</b>	Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to civil fines and criminal penalties.
<b>New York</b>	<p><b>All Commercial Insurance Forms, Except As Provided for Automobile Insurance:</b> 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, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.</p> <p><b>Automobile Insurance Forms:</b> Any person who knowingly makes or knowingly assists, abets, solicits or conspires with another to make a false report of the theft, destruction, damage or conversion of any motor vehicle to a law enforcement agency, the department of motor vehicles or an insurance company, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the value of the subject motor vehicle or stated claim for each violation.</p> <p><b>Fire Insurance:</b> Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime. The proposed insured affirms that the foregoing information is true and agrees that these applications shall constitute a part of any policy issued whether attached or not and that any willful concealment or misrepresentation of a material fact or circumstances shall be grounds to rescind the insurance policy.</p>
<b>Ohio</b>	Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.
<b>Oklahoma</b>	<b>WARNING:</b> Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.
<b>Pennsylvania</b>	<p>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 commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.</p> <p><b>Automobile Insurance Forms:</b> Any person who knowingly and with intent to injure or defraud any insurer files an application or claim containing any false, incomplete or misleading information shall, upon conviction, be subject to imprisonment for up to seven years and the payment of a fine of up to \$15,000.</p>

## NOTICE TO POLICYHOLDERS

<b>Puerto Rico</b>	Any person who knowingly and with the intention to defraud includes false information in an application for insurance or file, assist or abet in the filing of a fraudulent claim to obtain payment of a loss or other benefit, or files more than one claim for the same loss or damage, commits a felony and if found guilty shall be punished for each violation with a fine of no less than five thousands dollars (\$5,000), not to exceed ten thousands dollars (\$10,000); or imprisoned for a fixed term of three (3) years, or both. If aggravating circumstances exist, the fixed jail term may be increased to a maximum of five (5) years; and if mitigating circumstances are present, the jail term may be reduced to a minimum of two (2) years.
<b>Rhode Island</b>	Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.
<b>Tennessee</b>	<p>It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.</p> <p><b>Workers Compensation:</b> It is a crime to knowingly provide false, incomplete or misleading information to any party to a workers compensation transaction for the purpose of committing fraud. Penalties include imprisonment, fines and denial of insurance benefits.</p>
<b>Utah</b>	<b>Workers Compensation:</b> Any person who knowingly presents false or fraudulent underwriting information, files or causes to be filed a false or fraudulent claim for disability compensation or medical benefits, or submits a false or fraudulent report or billing for health care fees or other professional services is guilty of a crime and may be subject to fines and confinement in state prison.
<b>Virginia</b>	It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.
<b>Washington</b>	It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.
<b>West Virginia</b>	Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.
<b>All Other States</b>	Any person who knowingly and willfully presents false information in an application for insurance may be guilty of insurance fraud and subject to fines and confinement in prison.

# NOTICE TO POLICYHOLDERS

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## PRIVACY POLICY

The XL America, Inc. insurance group (the “Companies”), believes personal information that we collect about our customers, potential customers, and proposed insureds (referred to collectively in this Privacy Policy as “customers”) must be treated with the highest degree of confidentiality. For this reason and in compliance with the Title V of the Gramm-Leach-Bliley Act (“GLBA”), we have developed a Privacy Policy that applies to all of our companies. For purposes of our Privacy Policy, the term “personal information” includes all information we obtain about a customer and maintain in a personally identifiable way. In order to assure the confidentiality of the personal information we collect and in order to comply with applicable laws, all individuals with access to personal information about our customers are required to follow this policy.

### **Our Privacy Promise**

Your privacy and the confidentiality of your business records are important to us. Information and the analysis of information is essential to the business of insurance and critical to our ability to provide to you excellent, cost-effective service and products. We understand that gaining and keeping your trust depends upon the security and integrity of our records concerning you. Accordingly, we promise that:

1. We will follow strict standards of security and confidentiality to protect any information you share with us or information that we receive about you;
2. We will verify and exchange information regarding your credit and financial status only for the purposes of underwriting, policy administration, or risk management and only with reputable references and clearinghouse services;
3. We will not collect and use information about you and your business other than the minimum amount of information necessary to advise you about and deliver to you excellent service and products and to administer our business;
4. We will train our employees to handle information about you or your business in a secure and confidential manner and only permit employees authorized to use such information to have access to such information;
5. We will not disclose information about you or your business to any organization outside the XL insurance group of Companies or to third party service providers unless we disclose to you our intent to do so or we are required to do so by law;
6. We will not disclose medical information about you, your employees, or any claimants under any policy of insurance, unless you provide us with written authorization to do so, or unless the disclosure is for any specific business exception provided in the law;
7. We will attempt, with your help, to keep our records regarding you and your business complete and accurate, and will advise you how and where to access your account information (unless prohibited by law), and will advise you how to correct errors or make changes to that information; and
8. We will audit and assess our operations, personnel and third party service providers to assure that your privacy is respected.

### **Collection and Sources of Information**

We collect from a customer or potential customer only the personal information that is necessary for (a) determining eligibility for the product or service sought by the customer, (b) administering the product or service obtained, and (c) advising the customer about our products and services. The information we collect generally comes from the following sources:

- Submission – During the submission process, you provide us with information about you and your business, such as your name, address, phone number, e-mail address, and other types of personal identification information;
- Quotes – We collect information to enable us to determine your eligibility for the particular insurance product and to determine the cost of such insurance to you. The information we collect will vary with the type of insurance you seek;

# NOTICE TO POLICYHOLDERS

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- Transactions – We will maintain records of all transactions with us, our affiliates, and our third party service providers, including your insurance coverage selections, premiums, billing and payment information, claims history, and other information related to your account;
- Claims – If you obtain insurance from us, we will maintain records related to any claims that may be made under your policies. The investigation of a claim necessarily involves collection of a broad range of information about many issues, some of which does not directly involve you. We will share with you any facts that we collect about your claim unless we are prohibited by law from doing so. The process of claim investigation, evaluation, and settlement also involves, however, the collection of advice, opinions, and comments from many people, including attorneys and experts, to aid the claim specialist in determining how best to handle your claim. In order to protect the legal and transactional confidentiality and privileges associated with such opinions, comments and advice, we will not disclose this information to you; and
- Credit and Financial Reports – We may receive information about you and your business regarding your credit. We use this information to verify information you provide during the submission and quote processes and to help underwrite and provide to you the most accurate and cost-effective insurance quote we can provide.

## Retention and Correction of Personal Information

We retain personal information only as long as required by our business practices and applicable law. If we become aware that an item of personal information may be materially inaccurate, we will make reasonable effort to re-verify its accuracy and correct any error as appropriate.

## Storage of Personal Information

We have in place safeguards to protect data and paper files containing personal information.

## Sharing/Disclosing of Personal Information

We maintain procedures to assure that we do not share personal information with an unaffiliated third party for marketing purposes unless such sharing is permitted by law. Personal information may be disclosed to an unaffiliated third party for necessary servicing of the product or service or for other normal business transactions as permitted by law.

We do not disclose personal information to an unaffiliated third party for servicing purposes or joint marketing purposes unless a contract containing a confidentiality/non-disclosure provision has been signed by us and the third party. Unless a consumer consents, we do not disclose “consumer credit report” type information obtained from an application or a credit report regarding a customer who applies for a financial product to any unaffiliated third party for the purpose of serving as a factor in establishing a consumer’s eligibility for credit, insurance or employment. “Consumer credit report type information” means such things as net worth, credit worthiness, lifestyle information (piloting, skydiving, etc.) solvency, etc. We also do not disclose to any unaffiliated third party a policy or account number for use in marketing. We may share with our affiliated companies information that relates to our experience and transactions with the customer.

## Policy for Personal Information Relating to Nonpublic Personal Health Information

We do not disclose nonpublic personal health information about a customer unless an authorization is obtained from the customer whose nonpublic personal information is sought to be disclosed. However, an authorization shall not be prohibited, restricted or required for the disclosure of certain insurance functions, including, but not limited to, claims administration, claims adjustment and management, detection, investigation or reporting of actual or potential fraud, misrepresentation or criminal activity, underwriting, policy placement or issuance, loss control and/or auditing.

# NOTICE TO POLICYHOLDERS

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## Access to Your Information

Our employees, employees of our affiliated companies, and third party service providers will have access to information we collect about you and your business as is necessary to effect transactions with you. We may also disclose information about you to the following categories of person or entities:

- Your independent insurance agent or broker;
- An independent claim adjuster or investigator, or an attorney or expert involved in the claim;
- Persons or organizations that conduct scientific studies, including actuaries and accountants;
- An insurance support organization;
- Another insurer if to prevent fraud or to properly underwrite a risk;
- A state insurance department or other governmental agency, if required by federal, state or local laws; or
- Any persons entitled to receive information as ordered by a summons, court order, search warrant, or subpoena.

## Violation of the Privacy Policy

Any person violating the Privacy Policy will be subject to discipline, up to and including termination.

For more information or to address questions regarding this privacy statement, please contact your broker.

## NOTICE TO POLICYHOLDERS

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### **U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC")**

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the United States of America, the European Union or the United Kingdom.

# NOTICE TO POLICYHOLDERS

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**FLORIDA**

**FOR INFORMATION, OR  
TO MAKE A COMPLAINT, CALL:  
1-800-688-1840  
XL INSURANCE  
SEAVIEW HOUSE  
70 SEAVIEW AVENUE  
STAMFORD, CT 06902-6040**

# NOTICE TO POLICYHOLDERS

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## FLORIDA

**THIS INSURANCE IS ISSUED PURSUANT TO THE FLORIDA SURPLUS LINES LAW. PERSONS INSURED BY SURPLUS LINES CARRIERS DO NOT HAVE THE PROTECTION OF THE FLORIDA INSURANCE GUARANTY ACT TO THE EXTENT OF ANY RIGHT OF RECOVERY FOR THE OBLIGATION OF AN INSOLVENT UNLICENSED INSURER.**

**SURPLUS LINES INSURERS' POLICY RATES AND FORMS ARE NOT APPROVED BY ANY FLORIDA REGULATORY AGENCY.**

## ENDORSEMENT # 1

This endorsement, effective 12:01 a.m., forms a part of Policy No.  
issued to  
by **Indian Harbor Insurance Company**

## SERVICE OF PROCESS

The Commissioner of Insurance of the State of Florida is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates:

Sarah Mims  
Assistant Secretary  
505 Eagleview Boulevard, Suite 100  
Exton, Pennsylvania 19341-0636

as its agent in Florida to whom such process shall be forwarded by the Commissioner of Insurance.

For Illinois exposures, the Insurer further designates the Director of the Illinois Division of Insurance and his successors in office, as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary hereunder arising out of an Illinois exposure and this contract of insurance.

All other terms and conditions of this policy remain unchanged.

  
\_\_\_\_\_  
(Authorized Representative)

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION OF CERTIFIED ACTS OF TERRORISM**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
UNDERGROUND STORAGE TANK POLICY

**A.** The following exclusion is added:

This insurance does not apply to:

**TERRORISM**

"Any injury or damage" arising, directly or indirectly, out of a "certified act of terrorism".

**B.** The following definitions are added:

1. For the purposes of this endorsement, "any injury or damage" means any injury or damage covered under any Coverage Part to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage", "personal and advertising injury", "injury" or "environmental damage" as may be defined in any applicable Coverage Part.

2. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

a. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and

b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

c. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under this Coverage Part.

## **POLICYHOLDER DISCLOSURE**

### **NOTICE OF TERRORISM INSURANCE COVERAGE**

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, you have a right to purchase insurance coverage for losses resulting from acts of terrorism, as *defined in Section 102(1) of the Act*. The term “act of terrorism” means any act that is certified by the Secretary of the Treasury—in consultation with the Secretary of Homeland Security, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 85% THROUGH 2015; 84% BEGINNING ON JANUARY 1, 2016; 83% BEGINNING ON JANUARY 1, 2017; 82% BEGINNING ON JANUARY 1, 2018; 81% BEGINNING ON JANUARY 1, 2019; AND 80% BEGINNING ON JANUARY 1, 2020, OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS’ LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.