

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**PREMISES ENVIRONMENTAL COVERAGE
TIME ELEMENT**

THIS ENDORSEMENT REQUIRES THAT YOU REPORT ANY DISCOVERED CONTAMINATION WITHIN 30 DAYS TO THE COMPANY DURING THE POLICY PERIOD OR ANY APPLICABLE EXTENDED REPORTING PERIOD.

This endorsement modifies and is subject to the insurance provided under the following:

CONTRACTORS ENVIRONMENTAL COVERAGE

Subject to the Limits of Insurance and deductible set forth in ITEM 4.C (3) of the Declarations, and all policy terms and conditions and in reliance upon the statements that you provided us in the application and other supplemental information concerning “your insured location(s)”, it is hereby agreed that, solely with respect to coverage afforded by this endorsement, the policy is amended as follows:

1. Section I. INSURING AGREEMENTS is amended to add the following insuring agreement:

Premises Environmental Coverage - Your Insured Location Liability – Time Element

We will pay on behalf of the “insured” for “loss” or “remediation expense” in excess of the deductible that the “insured” becomes legally obligated to pay as a result of “contamination” on, under or migrating beyond the legal boundaries of “your insured location”, provided that:

1. Such “contamination” originates at “your insured location”;
2. Such “contamination” first commences during the “policy period”;
3. Such “contamination” ceases fully within ten (10) days of its commencement;
4. Such “contamination” is reported to us in writing, within thirty (30) days of its discovery by the “insured”.
5. The “loss” or “remediation expense” is the result of: (i) a “claim” for “bodily injury”, “property damage” or “environmental damage” that is first made against the “insured” during the policy period and reported to us during the “policy period”, or as expressly provided for in the “extended reporting period”, if applicable; or (ii) “contamination” that caused the “insured” to incur “emergency expense” during the “policy period”.

2. Section II. DEFINITIONS, paragraph E. 1. Contamination is amended to add the following paragraph:

“Contamination” also means the discharge, dispersal, release or escape of any “contaminants” into or upon land, or any structure on land, the atmosphere or any watercourse or body of water, including groundwater that originates at “your insured location”, provided such “contaminants” are not naturally present in the environment in the amounts or concentrations discovered;

3. Section II. DEFINITIONS, paragraph E. 2. Contamination is amended to add the following paragraph:

The presence of “contaminants” that have been disposed of or abandoned at “your insured location” in violation of applicable “law” by parties other than an “insured” provided that prior to the “inception date” or the effective date of this endorsement, whichever is later, no “insured” or additional insured knew or reasonably should have known of such presence, disposal or abandonment; or discovered;

4. Section II. DEFINITIONS, paragraph U. Policy Period is amended to add the following paragraph:

2. With respect to any of “your insured location(s)”, the deletion of any such location(s) from this policy by us at your written request.

5. Section II. DEFINITIONS, paragraph W. Project Site is amended to add the following paragraph:

“Project site” does not include “your insured location”.

6. Section II. DEFINITIONS, paragraph Z. Responsible Individual is amended to add the following paragraph:

4. Any manager of “your insured location”.

7. Section II. DEFINITIONS, paragraph EE. Your Insured Location is deleted and replaced with the following paragraph:

“Your insured location” means any property or location approved by us and listed in the Schedule below or in a Premises Environmental Coverage – “Your Insured Location Schedule” endorsed to this policy. “Your insured location” does not include a “project site”.

Your Insured Location Schedule

<u>Your Insured Location</u>	<u>Inception Date</u>
Any location owned, operated, managed, leased or maintained by the “Named Insured”	The effective date of this policy or the date this endorsement was made effective, whichever is later.

8. Section II. DEFINITIONS is amended to add the following definitions:

“Underground storage tank” means any tank (including any connected ancillary pumps, sumps, and equipment) that has more than ten percent (10%) of its volume below ground and includes any connected underground piping. “Underground storage tank” does not, however, include any oil/water separators or storm-water collection systems.

9. Section IV. EXCLUSIONS is amended to add the following exclusions:

A. Asbestos / Lead Paint

Based upon or arising from any asbestos, asbestos products or any substance or material containing asbestos, or any lead-based paint at “your insured location”. This exclusion does not apply to asbestos or asbestos containing materials or lead based paint in soil or in any watercourse or body of water, including groundwater, except for asbestos, asbestos products or any substance or material containing asbestos, or any lead-based paint that is or had been installed in or applied to any building or other structure at “your insured location”.

B. Communicable Diseases

Based upon or arising out of exposure to communicable diseases whether or not as a result of exposure to individuals or animals. However, this exclusion does not apply to exposure to medical waste.

C. Insured’s Costs of Goods or Services – Arising out of your own costs, charges or expenses for goods or services provided by an “insured” including a parent, subsidiary or affiliate of such “insured”, unless such costs, charges or expenses are:

- a. “Emergency expense”; or
- b. Preapproved by us in writing subject to our sole discretion.

D. Divested Property Limitation

Based upon or arising out of “contamination” that first commences after “your insured location” has been divested, sold, abandoned, given away, taken by eminent domain or condemned.

E. Material Change at Your Insured Location

Based upon or arising out of any material change in the use or operations at “your insured location” from the use or operations described by you in the application or information submitted to us that forms the basis of coverage.

F. Mold

Based upon or arising from “mold” on, at or within any building or structure at any “your insured location”.

G. Process Improvements

Based upon or arising out of any costs or expenses incurred to install, upgrade, modify or improve any processes, operations, equipment, machinery, or real or personal property at “your insured location”, however, this exclusion will not apply to any “loss” or “remediation expense” that is directly caused by such installation, upgrade, modification or improvement activities at “your insured location”.

H. Underground Storage Tank

Based upon or arising out of “contamination” resulting directly or indirectly from an “underground storage tank” which is located on “your insured location”, unless such “underground storage tank” is scheduled on the policy by endorsement.

This exclusion does not apply to any “underground storage tank” that is:

- i. A process or septic tank located partially in the ground; or
- ii. Located on or above the floor of structures built below the ground surface such as vaults or subsurface floors of buildings.
- iii. Prior to the “inception date”, deemed closed or removed by the regulatory body having jurisdiction over the “underground storage tank” and where such regulatory body has made a determination that no further action or remediation related to such “underground storage tank” is required in accordance with applicable law.

10. Section IV. EXCLUSIONS, Paragraph O. Product Liability is amended to add the following paragraph:

This exclusion does not apply to such products while within the boundaries of “your insured location”.

11. Section IV. EXCLUSIONS, Paragraph V. Vehicles is amended to add the following paragraph:

This exclusion shall not apply to the ownership, use, maintenance or operation of an automobile, aircraft, watercraft or other “conveyance” at “your insured location”.

12. Section IV. EXCLUSIONS, Paragraph X. Waste Disposal, Transfer, Treatment or Recycling Facility is amended to add the following paragraph:

This exclusion does not apply to “your insured location”.

13. Section IV. EXCLUSIONS, Paragraph R. Related Entities is deleted and replaced with the following paragraph:

“Related Entities” - Based upon or arising out of any “claim” made by or on behalf of, any organization, or parent or subsidiary or affiliate thereof, not named in the Declarations, which an “insured” controls, manages, operates or holds more than a 25% ownership interest in, or which controls, manages, operates or holds more than a 25% ownership interest in an “insured” or (ii) as a partner, officer, director, member, stockholder, employer or employee of a business enterprise not named in the Declarations.

All other policy terms and conditions remain unchanged.