**ENDORSEMENT**

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

Policy No.:<Policy Number> <Endorsement Number>

Effective 12:01 a.m. <Policy or Endorsement Effective Date>

## COUNTRY CLUB POLLUTION COVERAGES

# POLLUTION LIABILITY LIMITED COVERAGE ENDORSEMENT - A

This endorsement modifies insurance provided under the following:

POLLUTION LIABILITY COVERAGE FORM DESIGNATED SITES

**Schedule of “Storage Tank Systems” \***

Tank No. Contents Age of Tank Type of Tank

\*Information required to complete this Schedule, if not shown on this endorsement, will be shown in the Declarations.

1. Subparagraph **1.a.(2)** of **SECTION I – POLLUTION LIABILITY COVERAGE** is deleted in its entirety and replaced with the following:

**(2)** Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments, settlements, “clean-up costs” or “above-ground storage tank clean-up costs”.

1. Subparagraph **b.** of Paragraph 1. of **SECTION I – POLLUTION LIABILITY COVERAGE** is deleted in its entirety and replaced with the following:
2. This insurance applies to “bodily injury” or “property damage” only if:
3. The “bodily injury” or “property damage” is caused by a “pollution incident” that arises out of:
4. The use of pesticides, herbicides, fungicides or fertilizers by you or on your behalf provided:
5. The usage meets all standards of any statute, ordinance, regulation or license requirement of any federal, state or local government which pertain to the pesticides, herbicides, fungicides or fertilizers; and
6. The usage is confined to necessary maintenance of the premises; or
7. The use of chlorine or other chemicals or materials by you or on your behalf for the maintenance of a swimming pool, whirlpool or spa; or
8. A “storage tank system”;

From an “insured site” that is used as a country club;

1. The "bodily injury" or "property damage" is caused by a "pollution incident" from an “insured site” or “waste facility” in the "coverage territory";
2. The "bodily injury" or "property damage" is caused by a "pollution incident" that commences on or after the Retroactive Date shown in the Declarations;
3. The insured's responsibility to pay damages because of "bodily injury" or "property damage" is determined in a "suit" on the merits in the "coverage territory" or in a settlement we agree to; and
4. A claim for damages because of the "bodily injury" or "property damage" is first made against any insured, in writing, in accordance with Paragraph **c.** below, during the policy period or any Extended Reporting Period we provide under **SECTION V - EXTENDED REPORTING PERIOD OPTION**.
5. **SECTION I – POLLUTION LIABILITY COVERAGE** is amended to include the following additional Paragraph:

**Clean-Up Costs Due to an Above-Ground Storage Tank Release**

1. We will pay for “above-ground storage tank clean-up costs” that the insured becomes legally obligated to pay for resulting from a “pollution condition” that originates from a “storage tank system” to which this insurance applies. We have the right but not the duty to investigate, settle, contest or appeal, at our expense, any obligation asserted against an insured to pay “above-ground storage tank clean-up costs”. But the amount we will pay for such “above-ground storage tank clean-up costs” is limited as described in Section III – Limits of Insurance; and
2. This insurance applies only if the “pollution condition”:
3. Commences on or after the Retroactive Date shown in the Declarations of this policy and before the end of the policy period from an “insured site” in the “coverage territory”; and
4. Is first reported in writing, in accordance with Subparagraph **c.** below, during the policy period or any Extended Reporting Period we provide under **SECTION V - EXTENDED REPORTING PERIOD OPTION**.
5. A “pollution condition” will be considered reported at the earliest time:
6. You report the “pollution condition” to us in writing; or
7. You or we report the “pollution condition” to the Federal Environmental Protection Agency (EPA), or similar state or local governmental agency; or
8. You or we receive a written notice which requests or demands that you take action due to a “pollution condition.”
9. For the purposes of this Clean-Up Costs Due to an Above-Ground Storage Tank Release coverage only, Paragraph **4. Exclusions** in **SECTION I – POLLUTION LIABILITY COVERAGE** is deleted in its entirety and replaced with the following:.

**4. Exclusions Related to Clean-Up Costs Due to an Above-Ground Storage Tank Release**

This insurance does not apply to “above-ground storage tank clean-up costs” or any other expenses:

1. Arising from any “pollution condition” which is expected or intended from the standpoint of the insured;
2. Arising from actions taken to report, investigate or confirm any “pollution condition” from a “storage tank system”;
3. To repair, replace or upgrade any “storage tank system” or any testing or monitoring device or systems;
4. Which are fines or penalties imposed by a federal, state or local governmental authority;
5. To replace the contents of a “storage tank system”;
6. Which are part of your restoration, enhancement or routine maintenance of any “storage tank system” or your restoration, enhancement or routine maintenance of the site where any “storage tank system” is located;
7. To test or calibrate any equipment or instrument, perform any inventory test or examine or inspect any equipment, instruments or portions of a “storage tank system”;
8. Arising from premises you sell, give away or abandon; or
9. In any way originating from a petroleum storage tank any part of which is underground, including any attached pumps and piping, or which may otherwise be construed as included in the definition of underground storage tank under the Hazardous and Solid Waste Amendments of 1984 (42 USC § 6991 and any amendments thereto).
10. Subparagraph **k.** of Paragraph **4. Exclusions** of **SECTION I – POLLUTION LIABILITY COVERAGE** is amended to include the following additional exclusion:

“Bodily injury” or “property damage” arising out of the spraying or application of herbicides, pesticides, fungicides or fertilizers from any “auto” or watercraft that is owned or operated by or rented or loaned to any insured.

1. Paragraph **4. Exclusions** of **SECTION I – POLLUTION LIABILITY COVERAGE** is amended to include the following additional exclusion:

**Underground Storage Tanks**

A “pollution incident” in any way originating from any storage tank any part of which is underground, including any attached pumps and piping, or which may otherwise be construed as included in the definition of underground storage tank under the Hazardous and Solid Waste Amendments of 1984 (42 USC § 6991 and any amendments thereto).

1. The following paragraph is added under the last Paragraph of **SECTION II - WHO IS AN INSURED** beginning with the words, “No person or organization…” and ending with the words, “in the Declarations”:

No person or organization who is an independent contractor is an insured with respect to liability arising out of the use of pesticides, herbicides, fungicide, fertilizers or pool chemicals or materials.

1. **SECTION III – LIMITS OF INSURANCE** is deleted in its entirety and replaced with the following:

**SECTION III – LIMITS OF INSURANCE AND DEDUCTIBLES**

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

a. Insureds;

b. Claims made or "suits" brought;

c. Persons or organizations making claims or bringing "suits";

d. Governmental actions taken with respect to "clean-up costs"; or

e. Requests for “above-ground storage tank clean-up costs”.

2. The Overall Aggregate Limit shown in the Declarations is the most we will pay for the sum of:

a. All damages because of all "bodily injury" and "property damage";

b. All "clean-up costs" incurred because of all "environmental damage"; and

c. All “above-ground storage tank clean-up costs” arising from any “pollution condition”.

## 3. Subject to Paragraph 2., above, the “Clean-Up Costs” Aggregate Limit shown in the Declarations is the most we will pay for the sum of all “clean-up costs” incurred because of all “environmental damage”.

4. Subject to Paragraphs 2. and 3., above, whichever amount remaining is less, the Each “Pollution Incident” Limit (“Clean-Up Costs” Only) is the most we will pay for all “clean-up costs” incurred because of all “environmental damage” arising from any one “pollution incident”.

5. Subject to Paragraph 2., above, the Each “Pollution Incident” Limit (Other Than “Clean-Up Costs”) is the most we will pay in any one “pollution incident” for all damages because of all “bodily injury” and “property damage”, not including:

a. “clean-up costs” incurred because of “environmental damage”; or

b. “above-ground storage tank clean-up costs”.

6. Subject to Paragraph 2., above, the “Above-Ground Storage Tank Clean-up Costs” Aggregate Limit shown in the Declarations is the most we will pay for the sum of all “above-ground storage tank clean-up costs” arising from all “pollution conditions”.

1. Subject to Paragraphs 2. and 6. above, whichever amount remaining is less, the Each “Pollution Condition” Limit shown in the Declarations is the most we will pay for the sum of all “above-ground storage tank clean-up costs” arising from any one “pollution condition”.
2. **Deductibles**

**a.** We will pay damages and “clean-up costs” for the amount of the damages or “clean-up costs” which are in excess of the deductible amount, if any, shown in the Declarations.

**b.** A deductible of $5,000 applies separately to each and every “pollution condition” resulting in “above-ground storage tank clean-up costs”. We will pay for the amount of “above-ground storage tank clean-up costs” which are in excess of such deductible amount.

We may, or will if required by law, pay all of any deductible amount, if applicable, to effect settlement of any claim or "suit". Upon notice of our payment of a deductible amount, you shall promptly reimburse us for the part of the deductible amount we paid.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

1. Subparagraph **2**.**a.** of **SECTION IV – POLLUTION LIABILITY CONDITIONS** is deleted in its entirety and replaced with the following:

**2. Duties In The Event Of A Pollution Incident, Pollution Condition, Claim Or Suit**

**a.** You must see to it that we are notified promptly of a “pollution incident” or “pollution condition”, which may result in a claim or any action or proceeding to impose an obligation on the insured for “clean-up costs’ or “above-ground storage tank clean-up costs”. Notice should include:

**(1)** How, when and where the “pollution incident” or “pollution condition” took place;

**(2)** The names and addresses of any injured persons and witnesses; and

**(3)** The nature and location of any injury or damage arising out of the “pollution incident” or “pollution condition”.

Notice of a “pollution incident” or “pollution condition” is not notice of a claim.

1. **SECTION VI – DEFINITIONS** is amended to include the following additional definitions:

“Above-ground storage tank clean-up costs” means the reasonable and necessary expenses for the investigation, removal or remediation of a “pollution condition”, including associated monitoring, or disposal of soil, surface water, groundwater or other contamination:

1. To the extent required by “Environmental Laws”; or
2. That has been actually incurred by the government or any political subdivision of the United States of America or any state thereof or Canada or any province thereof, or by third parties.

“Environmental Laws” means any federal, state, provincial or local laws (including, but not limited to, statutes, rules, regulations, ordinances, guidance documents, and governmental, judicial or administrative orders and directives) under which the insured’s obligation to pay “above-ground storage tank clean-up costs” because of “pollution conditions” are asserted.

“Pollution condition” means the dispersal, release or escape of petroleum products into or upon land, the atmosphere, or any watercourse or body of water located at an “insured site”, provided such dispersal, release or escape of petroleum products results in “environmental damage”. The entirety of any such discharge, release or escape shall be deemed to be one “pollution condition”.

“Storage Tank System” meansan above-ground stationary tank or tanks owned or operated by the insured and described in the Schedule above, including any on site integral piping or dispensing equipment, ancillary equipment and containment system associated with the tanks.

All other terms and conditions of the policy remain the same.

Authorized Representative