This Coverage Part provides coverage on a Claims-Made and Reported Basis. Please read the entire form carefully.

Third Party Pollution Liability Coverage Part

Provisions

Various provisions in this Policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

All exclusions, conditions or definitions contained within this Coverage Part are provided in addition to any applicable exclusions, conditions and definitions provided within the Common Provisions which are incorporated in this Coverage Part and to which this Coverage Part is attached.

Section I - Insuring Agreement

1. Third Party Pollution Liability

   a. We will pay, in excess of the Deductible shown in the Declarations, those sums the insured becomes legally obligated to pay:

      (1) As “damages” because of “bodily injury” or “property damage”, and

      (2) For “cleanup costs”;

resulting from a “pollution condition” that was caused by an “occurrence” and to which this insurance applies. We may, at our discretion, investigate any “occurrence” or “pollution condition” incident and settle any “claim” or “suit” that may result. But the amount we will pay is limited as described in Section IV - Limits of Insurance And Deductible within the Common Provisions.

   b. This insurance applies to “bodily injury”, “property damage” and “cleanup costs” only if all of the following conditions are met:

      (1) Before the “policy period”, no insured had knowledge of any “occurrence” or “pollution condition” that could reasonably give rise to a “claim” under this Policy;

      (2) Neither the “claim” against you for that “bodily injury”, “property damage” or “pollution condition”, nor the “occurrence” resulting in that “bodily injury”, “property damage” or that “pollution condition” were reported under any policy in effect before the “policy period” or disclosed in the application for this Policy;

      (3) No fact, incident or circumstance involving an “occurrence” or “pollution condition” that reasonably would have resulted in a “claim” against you for that “bodily injury” or “property damage” or those “cleanup costs” was reported under any policy in effect before the “policy period” or disclosed in the application for this Policy;
(4) That “bodily injury” or “property damage” resulted from a “pollution condition” at, on or emanating from your “location(s)" within the “coverage territory”;

(5) The “cleanup costs” result from a “pollution condition” at, on or emanating from your “location(s)" within the “coverage territory”;

(6) The “pollution condition” begins on or after the earlier of either this Policy’s effective date, or Retroactive Date, if any, shown in the Declarations, and before the end of the “policy period”;

(7) The “bodily injury” or “property damage” first occurs during the “policy period” and is caused by a “pollution condition” at, on or emanating from your “location(s)"

(8) A “claim” for “damages” for that “bodily injury” or “property damage”, or for “cleanup costs” for that “pollution condition” is first made against any insured and reported to us in accordance with the provisions set forth in Section VI - Common Conditions, 5. Duties In the Event Of A Claim Or Suit within the Common Provisions, during the “policy period” or Extended Reporting Period, if applicable, that we provide under Section VIII - Extended Reporting Periods.

c. A “claim” by a person or organization seeking “damages” will be deemed to have been made at the earlier of the following times:

(1) When written notice of such “claim” is received and recorded by us; or

(2) When we make settlement in accordance with paragraph 1. a. above.

d. All “claims” for “damages” for “bodily injury” to the same person, including “damages” claimed by any person or organization for care, loss of services, or death resulting at any time from the “bodily injury”, will be deemed to have been made at the time the first of those “claims” is made against any insured and reported to us.

e. All “claims” for “damages” for “property damage” causing loss to the same person or organization will be deemed to have been made at the time the first of those “claims” is made against any insured and reported to us.

f. All claims for “cleanup costs” incurred by the same person or organization will be deemed to have been made at the time the first of those “claims” is made against any insured and reported to us.

g. All “claims” which arise out of the same or a related “pollution condition” shall be deemed to have been made at the time at which the earliest “claim” arising out of such “pollution condition” was made, and all such “claims” shall be subject to the same Limit of Liability.

SECTION II - ADDITIONAL EXCLUSIONS

The following additional exclusions apply to the Third Party Pollution Liability Coverage Part in addition to those contained within the Common Provisions:

This Policy does not apply to “damages”,

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“defense expenses”, or any loss, cost or expense, or any “claim” or “suit”:

1. **Asbestos**

   Based upon or arising out of:

   a. Asbestos, asbestos fibers, asbestiform talc or any material or substances containing asbestos, asbestos fibers or asbestiform talc, or exposure to asbestos, asbestos fibers or asbestiform talc in any form, or any asbestos related injury, including but not limited to, asbestosis mesothelioma and bronchogenic carcinoma; or

   b. The use, exposure, presence, existence, detection, removal, elimination or avoidance, in any building or structure, the atmosphere or any other part of the environment, building or structure of asbestos, asbestos fibers, asbestiform talc or any material or substances containing asbestos, asbestos fibers or asbestiform talc.

2. **Divested Property**

   Based upon or arising out of any “pollution condition” that first occurs on any “location”: (a) after the insured has sold or transferred ownership of, or abandoned such “location”; or (b) after condemnation proceedings have been instituted for such “location”.

3. **Insured’s Property Damage Or Cleanup Costs**

   For “cleanup costs” on property owned, leased, occupied or operated by any insured, or property in the care, custody or control of any insured, whether or not any cost is incurred or expended to avoid or mitigate further damage or “claims”.

4. **Intentional Acts**

   Based upon or arising out of any “pollution conditions” that result, in whole or in part, from:

   a. The intentional, willful or deliberate injury, by any insured or at the direction of any insured, to person or property; or

   b. The non-compliance by any insured with any request, demand, order or statutory or regulatory requirement, administrative complaint, notice of violation, notice letter, executive order or instruction of any governmental or public agency or body.

5. **Known Conditions**

   Based upon or arising out of “pollution conditions” that were known to be present, by any insured at any time before the beginning of this “policy period”, or that were disclosed in the application for this insurance or any of the accompanying information provided to us.

6. **Lead Contamination**

   For:

   a. “Bodily injury” of any kind arising out of the ingestion, inhalation or absorption of lead in any form;

   b. “Property damage” of any kind arising out of lead in any form;

   c. Any loss, cost or expense arising out of any request, demand or order that any insured or any person test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of lead; or
d. Any loss, cost or expense arising out of any “claim” or “suit” for “damages” because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of lead.

7. Non-Designated Locations

Based upon or arising out of any location(s) not designated or scheduled as a “location” on the Declarations Page or by endorsement to this Coverage Part.

8. Underground Storage Tanks

Based upon or arising out of any underground storage tank(s) or associated underground piping at any “location”, but only if the insured knew of the existence of such underground storage tank(s) or associated underground piping before a “claim” involving the same was first made against any insured. This exclusion does not apply to underground storage tank(s) or associated underground piping when endorsed onto this Policy.

9. Your Product And Your Work

Based upon or arising out of “your product” or “your work”, unless the “claim” results from “your work” performed on, or “your product” disposed or handled on, your “location(s)”.

SECTION III – ADDITIONAL CONDITIONS

1. Non-Stacking Of Limits Of Insurance

If the Limits of Insurance of more than one Third Party Pollution Liability Coverage Part issued by us or any of our affiliated companies applies to the same or related “occurrence” or “pollution condition”, then the maximum Limit of Insurance under all such Third Party Pollution Liability Coverage Parts shall not exceed the highest applicable Limits of Insurance available under any one Third Party Pollution Liability Coverage Part and the corresponding deductible for that Coverage Part.

2. Continuous or Progressive Damage or Injury

“Bodily injury”, “property damage” or a “pollution condition” occurring or existing partly before and partly on or after the Retroactive Date will be deemed to have occurred or existed before the Retroactive Date.

If the date cannot be determined upon which such “bodily injury”, “property damage” or “pollution condition” first occurred or existed then, for the purposes of policies issued by us, such “bodily injury”, “property damage” or “pollution condition” will be deemed to have occurred or existed before the Retroactive Date.