



Administrative Offices
 580 Walnut Street
 Cincinnati, OH 45202
 Tel: 1-513-369-5000

ENDORSEMENT # 2

This endorsement, effective 12:01 a.m., _____, forms a part of
 Policy No. _____ issued to _____ by _____

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

POLLUTION LIABILITY COVERAGE

A. SECTION I – COVERAGES is amended by the addition of the following:

THE COVERAGE AFFORDED UNDER COVERAGE E IS CLAIMS MADE AND REPORTED COVERAGE.

THE COVERAGE AFFORDED UNDER COVERAGE E REQUIRES THAT A CLAIM BE MADE AGAINST THE INSURED DURING THE POLICY PERIOD AND REPORTED TO US DURING THE POLICY PERIOD OR, IF APPLICABLE, THE EXTENDED REPORTING PERIOD.

WITH REGARD TO COVERAGE E, LEGAL EXPENSE WILL ERODE THE LIMIT OF LIABILITY AND IS SUBJECT TO ANY APPLICABLE DEDUCTIBLE.

THE INSURANCE AFFORDED UNDER COVERAGE E SHALL ONLY APPLY IF THE POLLUTION CONDITION FIRST COMMENCED DURING THE POLICY PERIOD, OR PRIOR TO THE POLICY PERIOD BUT AFTER THE RETROACTIVE DATE SHOWN IN THE DECLARATIONS AND BEFORE THE END OF THE POLICY PERIOD.

1. COVERAGE E – Insuring Agreements

E1 - POLLUTION LIABILITY

Insuring Agreement

We will pay on behalf of the insured for "loss" and related "legal expense" because of a "pollution condition" on, at, under or migrating from the "covered location(s)," which the insured becomes legally obligated to pay as a result of a "claim" first made against the insured during the policy period, but only if the insured reports the "claim" to us, in writing, during the policy period or, if applicable, the "extended reporting period."

E2 - ON-SITE AND OFF-SITE CLEAN-UP COSTS

Insuring Agreement

We will pay on behalf of the insured for "clean-up costs" and related "legal expense" because of a "pollution condition" on, at, under or migrating from the "covered location(s):"

- (1) which the insured becomes legally obligated to pay as a result of a "claim" first made against the insured during the policy period; or
- (2) if the "pollution condition" is first discovered by the insured during the policy period;

but only if the insured notifies us of the "claim" or "pollution condition," in writing, during the policy period or, if applicable, the "extended reporting period."

E3 - NON-OWNED DISPOSAL SITE

Insuring Agreement

We will pay on behalf of the insured for "loss," "clean-up costs" and related "legal expense" because of a "pollution condition" on, at, under or migrating from a "non-owned disposal site," which the insured becomes legally obligated to pay as a result of a "claim" first made against the insured during the policy period, but only if the insured reports the "claim" to us, in writing, during the policy period or, if applicable, the "extended reporting period."

E4 - IN-BOUND AND OUT-BOUND CONTINGENT TRANSPORTATION COVERAGE

Insuring Agreement

We will pay on behalf of the insured for "loss," "clean-up costs" and related "legal expense" because of a "pollution condition" arising from the insured's goods, products or waste during the course of transportation by a "carrier" to or from a "covered location(s)," including any "loading or unloading" of such goods, products or waste, which the insured becomes legally obligated to pay as a result of a "claim" first made against the insured during the policy period, but only if the insured reports the "claim" to us, in writing, during the policy period or, if applicable, the "extended reporting period."

E5 - Hostile Fire and Building Equipment

Insuring Agreement

We will pay on behalf of the insured for:

- (1) "loss," "clean up costs" and related "legal expense" because of a "pollution condition" arising from the heat, smoke or fumes from a "hostile fire;" or
- (2) damages from "bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, emergency generating equipment or equipment that is used to heat water for personal use by the building's occupants or their guests,

which the insured becomes legally obligated to pay as a result of a "claim" first made against the insured during the policy period, but only if the insured reports the "claim" to us, in writing, during the policy period or, if applicable, the "extended reporting period."

We will have the right and duty to defend the insured against any "claim" covered under this Coverage Part. However, we will have no duty to defend the insured against any "claim" to which this Coverage Part does not apply. We may, at our discretion, investigate any "pollution condition" and settle any "claim" or "suit" that may result. But:

- (1) The amount we will pay pursuant to Coverage E is limited as described in Section III – Limits Of Insurance; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverage E.

2. Exclusions.

The Insurance afforded under Coverage E does not apply to any damages, "loss," "clean-up costs" or "legal expense:"

a. Communicable Diseases

based upon or arising out of any exposure to infected humans or animals, or contact with bodily fluids of infected humans or animals.

b. Insured vs. Insured

based upon or arising out of any "claim" by one insured against any other insured. This exclusion does not apply to a "claim" that arises out of an indemnification given by one insured to another insured as specified in a contract that was submitted to and approved by the Company and added to this Policy by endorsement.

c. Known Condition(s)

based on or arising out of any "pollution condition" that was known by or reported to any "responsible person" but was not expressly reported in writing to us, before:

- (a) the beginning of the policy period (with respect to a "pollution condition" at any "covered location(s)," shown in the Declarations at the beginning of the policy period), or
- (b) we issue an endorsement to add the "covered location(s)" at which the "pollution condition" exists, to the policy (with respect to a "pollution condition" at any "covered location(s)," that was not shown in the Declarations at the beginning of the policy period).

Any such expressly reported "pollution condition" which is not otherwise excluded under this policy by endorsement is deemed to be first discovered on the date the "covered location(s)" was added to this policy.

d. Material Change in Use

based upon or arising out of a change in the use of, or operations at, a "covered location(s)" from the use or operations as of the date the "covered location(s)" became insured by this policy.

e. Natural Occurring Material(s)

based upon or arising out of the existence, required removal, or abatement, of naturally occurring material(s). This exclusion does not apply where such substances are at a "covered location(s)" only because of human activities or processes. This exclusion also does not apply to "mold matter."

f. Retroactive Date

based upon or arising out of a "pollution condition" that first commenced prior to the retroactive date set forth in the Declarations, including any further dispersal, migration or movement of that "pollution condition" on or after that date.

g. Underground Storage Tank(s)

based upon or arising out of the existence of any "underground storage tank(s)." This exclusion does not apply to "underground storage tank(s):"

- (a) either closed, abandoned in place or removed, in accordance with all applicable federal, state, or provincial regulations, prior to the inception date of this policy; or
- (b) endorsed to this policy in the Underground Storage Tank(s) and Associated Piping Schedule, if any; or
- (c) the existence of which is unknown by all "responsible persons" as of the inception date of this Policy.

h. Asbestos

based upon or arising out of any asbestos or asbestos containing material, in, on, or applied to any building or other structure. This exclusion does not apply to asbestos, or asbestos containing materials, in soil or in any watercourse or body of water including groundwater.

i. Contractual Liability

based upon or arising from the insured's assumption, under any contract or agreement, of the liability of another. This exclusion does not apply to liability the insured would have had in the absence of the contract or agreement.

j. Criminal Fines, Penalties and Assessments

based upon or arising out of any criminal fine, criminal penalty, or criminal assessment.

k. Employer's Liability/Workers' Compensation

based upon or arising out of any "bodily injury" to an insured, or an "employee" of its parent, subsidiary or affiliate arising out of and in the course of employment by the insured or its parent or subsidiary or affiliate including "bodily injury" or pecuniary loss to the spouse, child, parent, brother or sister of such injured employee. This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay another who must pay damages as a result of the "bodily injury."

l. Hostile Acts

based upon or arising out of any consequence, whether direct or indirect, of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

m. Insured's Property/Bailee Liability

with respect to "property damage" to:

- a. Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property or mitigate "loss" or "clean-up costs" which may be covered under this policy;
- b. Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- c. Property loaned to you;
- d. Personal property in the care, custody or control of the insured;
- e. That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations;
- f. That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

n. Intentional Acts

based upon or arising out of a "pollution condition" that results from any insured's intentional disregard of, or deliberate, willful, or dishonest non-compliance with, any statute, regulation, ordinance, administrative complaint, notice letter, or instruction by or on behalf of any governmental agency or representative.

o. Lead-Based Paint

based upon or arising out of lead-based paint in, on, or applied to, any building or other structure. This exclusion does not apply to lead-based paint in soil or in any watercourse or body of water including groundwater.

p. New Pollution Conditions at Divested Property

based upon or arising out of a "pollution condition" on, at, under or migrating from a "covered location(s)," if the discharge, dispersal, release, seepage, migration or escape of "pollutants" begins after such "covered location(s)" is sold, given away, or abandoned by the insured, or condemned.

q. Products

based upon or arising out of goods or products manufactured, sold, handled, distributed, altered or repaired by the insured or by others trading under the insured's name, including any container thereof, any failure to warn, or any reliance upon a representation or warranty made at any time with respect thereto and any "pollution condition" based upon or arising out of such goods, products or container.

r. Vehicles

based upon or arising out of the ownership, maintenance, use, operation, loading or unloading of any "auto," aircraft, watercraft, rolling stock or any other form of transportation, including any cargo carried thereby, beyond the legal boundaries of a "covered location(s)." This exclusion does not apply to Coverage E4 – In-Bound and Out-Bound Contingent Transportation Coverage.

s. Nuclear Matter and Radioactive Material

"Bodily Injury" or "Property Damage" arising out of the actual, alleged or threatened exposure of person(s) or property to any nuclear matter or radioactive material.

t. Insurance Provided in Other Coverage Sections

Any injury, damage, expense, cost, loss, liability or legal obligation for which coverage is provided by any other coverage section of this policy.

B. Solely with regard to Coverage E, SECTION III – LIMITS OF INSURANCE is deleted and replaced with the following:

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. "Covered location(s);" or
 - e. "Pollution conditions."
2. The Aggregate Limit (Coverages E1 – E5) is the most we will pay for the sum of all damages, "loss," "clean-up costs" and "legal expense."
3. Subject to Paragraph 1. above, the Each Pollution Condition Limit is the most we will pay under Coverage E for all "claims" arising out of the same or related "pollution condition."
4. If the same or related "pollution condition" results in coverage under more than one coverage under this Coverage Part for which a limit is stated in the Declarations or under any other coverage afforded under this policy or any endorsements attached hereto, only the single highest deductible amongst such applicable coverages shall apply.
5. The Policy Aggregate Limit is the most we will pay for the sum of all damages, "loss," "clean-up costs," "legal expense" under Coverages E1 – E5 and all other coverages afforded under this policy.
6. Our obligation to pay damages on your behalf applies only to the amount of damages in excess of any deductible amounts stated in the Declarations as applicable to such coverage. The deductible stated in the declarations applies to all "loss," "clean-up costs" and "legal expense" because of a "pollution condition" or the same or related "pollution conditions."

The terms of this insurance, including those with respect to:

- a. Our right and duty to defend the insured against any "suits" seeking those damages; and
 - b. Your duties in the event of an "occurrence," "claim" or "suit"
- apply irrespective of the application of the deductible amount.

We may pay any part or all of the deductible amount to effect settlement of any "claim" or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.

The Limits of Insurance 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.

C. Solely with regard to Coverage E, SECTION IV – CONDITIONS is amended by the addition of the following:

19. Subrogation

If the insured has rights to recover, from another person or organization, all or any part of a payment we make under this policy, those rights are transferred to us. The insured shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The insured shall do nothing to prejudice such rights. Any monies recovered as a result of subrogation proceedings shall accrue first to the insured to the extent of any payments it made in excess of the limits of liability, then to us to the extent of our payment under the policy, and then to the insured to the extent of its payment of the deductible. Expenses incurred in such subrogation proceedings shall be apportioned amongst the insured and us in the proportion that each interested party's share in the recovery bears to the total recovery.

20. Designation of Counsel

We shall have the right to designate legal counsel for the investigation, adjustment and defense of any "claim."

21. Costs

No costs, charges or expenses shall be incurred, nor payments made, obligations assumed or remediation commenced, without our consent which shall not be unreasonably withheld. This provision does not apply to costs incurred by the insured on an emergency basis, where delay on the part of the insured would cause injury to persons or damage to property or increase significantly the cost of responding to a "pollution condition." You shall notify us of all such expenses immediately after the emergency ends.

D. Solely with regard to Coverage E, SECTION IV – CONDITIONS, Item 2. Duties In The Event Of An Occurrence, Offense, Claim, Or Suit is deleted and replaced with the following:

2. Duties In The Event Of A "Claim" Or The Discovery of a "Pollution Condition"

As a condition precedent to the coverage hereunder, in the event a "claim" is made against the insured for "loss" or "clean-up costs" or a "pollution condition" is first discovered during the policy period, written or oral notice containing particulars sufficient to identify the insured and also reasonably obtainable information with respect to the time, place and circumstances thereof, and the names and addresses of the injured and of available witnesses, shall be given by or for the insured to us or any of our authorized agents as soon as practicable. In the event of oral notice, the insured agrees to furnish a written report as soon as practicable. The insured shall also forward to us every demand, notice, summons, order or other process received by the insured or the insured's representative as soon as practicable.

E. Solely with regard to Coverage E, SECTION V – DEFINITIONS is amended by the addition of the following:

38. "Carrier" means a person or entity, other than the insured or any subsidiary or affiliate company of the insured, engaged by or on behalf of the insured to transport material by "auto," aircraft, watercraft or rolling stock, but only if such person or entity is properly licensed to transport such material and in the business of transporting such material.
39. "Covered location(s)" means any location(s) shown in the Declarations as such or scheduled as such onto this Policy by an endorsement issued by us.
40. "Environmental professional" means an individual designated by us who is duly certified or licensed in a recognized field of environmental science as required by a state board, a professional association, or both. We shall consult with the insured in conjunction with the selection of the "environmental professional." We may require that such professional meet certain minimum qualifications and maintain errors and omissions insurance.
41. "Extended reporting period" means the Automatic Extended Reporting Period or, if applicable, the Optional Extended Reporting Period described in Part F. of the Pollution Liability Endorsement.
42. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
43. "Mold matter" means mold, mildew or any type or form of fungus; including any mycotoxins, spores, or byproducts produced or released by fungi.
44. "Non-owned disposal site(s)" ("NODS") means a location(s) used for the treatment, storage or disposal of an insured's waste material, but only if:
 - a. the waste material is generated at a "covered location(s);" and
 - b. the "NODS" is not managed, operated, owned or leased by the insured or any subsidiary or affiliate of the insured; and
 - c. the "NODS" is permitted and/or licensed by any Federal, State, Local or Provincial authorities to accept such material as of the date of the treatment, storage or disposal; and
 - d. the "NODS" is not listed on a proposed or final Federal National Priorities List ("NPL") and any State or Provincial equivalent NPL, Superfund or Hazardous Waste list prior to the treatment, storage or disposal.

45. "Responsible person" means any officer, director or partner of the insured, the manager or supervisor of the insured responsible for environmental or health and safety affairs, control or compliance or any manager of a "covered location(s)."
46. "Underground storage tank" means any container or vessel, including the associated piping connected thereto, which is ten percent (10%) or more beneath the surface of the ground.

F. Solely with regard to Coverage E, SECTION VI – EXTENDED REPORTING PERIOD is added to this insurance.

SECTION VI – EXTENDED REPORTING PERIOD

A. Automatic Extended Reporting Period

In the event of the termination of this insurance before the expiration date shown in the Declarations, the insured shall be entitled to a ninety (90) day Automatic Extended Reporting Period for no additional premium. The Automatic Extended Reporting Period shall apply as follows:

- (1) A "claim" first made against the insured during the policy period and reported to us, in writing, during the ninety (90) days immediately following the effective date of such termination will be deemed to have been made on the last day of the policy period, provided such "claim" is otherwise covered under Coverage E.
- (2) A "claim" first made against the insured and reported to us, in writing, during the ninety (90) days immediately following the effective date of such termination will be deemed to have been made on the last day of the policy period, provided such "claim" arises from a "pollution condition" first discovered and reported to us, in writing, prior to such termination, and is otherwise covered under Coverage E.

The Automatic Extended Reporting Period does not apply where: (1) the policy is terminated for fraud or non-payment of premium; or (2) the insured has purchased other insurance to replace the insurance provided under this Policy.

For the purposes of Section VI A. – Automatic Extended Reporting Period, under this policy:

- (a) either cancellation or non-renewal shall be deemed to be a termination of this insurance; and
- (b) in the event of non-renewal, the expiration date shown in the Declarations shall be deemed the effective date of the termination.

B. Optional Extended Reporting Period

The Named Insured shall be entitled to purchase an Optional Extended Reporting Period upon cancellation or non-renewal of the Policy, subject to the following terms and conditions:

The Named Insured shall be entitled to purchase an Optional Extended Reporting Period upon payment of an additional premium of not more than 200% of the full Policy Premium.

The Optional Extended Reporting Period shall be effective for three (3) consecutive three-hundred and sixty-five (365) day periods commencing immediately following the effective date of cancellation or non-renewal. The Named Insured must elect to purchase this Optional Extended Reporting Period in writing within thirty (30) days from the cancellation or non-renewal of the policy. The Automatic Extended Reporting Period of ninety (90) days will be merged into this period and is not in addition to this period.

The Optional Extended Reporting Period shall only apply to "claims" first made against the insured during the Optional Extended Reporting Period, but only by reason of a "pollution condition" first discovered and reported to us, in writing, during the policy period, and that is otherwise covered under Coverage E.

The Optional Extended Reporting Period does not apply where: (1) the policy is terminated for fraud or non-payment of premium; or (2) the insured has purchased other insurance to replace the insurance provided under this policy.

For the purposes of Section VI B. – Optional Extended Reporting Period under this Policy:

- (a) either cancellation or non-renewal shall be deemed to be a termination of this insurance; and
- (b) in the event of non-renewal, the expiration date shown in the Declarations shall be deemed the effective date of the termination.

It is a condition precedent to the operation of the rights granted under Section VI.B. that payment of the appropriate premium shall be made not later than thirty (30) days after expiration in the case of non-renewal or prior to cancellation in the case of cancellation.

For purposes of Section VI, the quotation of different Limits of Liability, deductibles, terms or conditions by us shall not be construed as termination or non-renewal of this policy.

All other terms and conditions remain the same.