

Standco Industries, Inc.
Z Choice Pollution Liability
Premium Quotation

April 30, 2012

Jeff Hanneman
Aon Environmental
5555 San Felipe, Suite 1500
Houston, Texas 77056
O: 832-476-6853
Jeffrey.hanneman@aon.com

RE: Standco Industries, Inc.
Z Choice Liability Insurance

Dear Jeff,

We are pleased to present this premium quotation for Z Choice Pollution Liability insurance prepared exclusively on your behalf for Standco. This premium quotation describes the coverages, terms, and conditions offered by Zurich. Please review these carefully as they may differ from the specifications in the submission.

We at Zurich understand the rigorous environmental liability regulations and other environmental challenges that confront your clients. For more than fifteen years, we have kept pace with the changing needs of these clients and we continue to offer tailored solutions. We work hand-in-hand with you to maximize your client's environmental liability coverage and we offer customized responses, risk management solutions, and specialized services to address unique and challenging environmental risks. We appreciate the opportunity to work with you in delivering these solutions and services.

The commission payable is 15%. Commissions are not paid on taxes, fees or surcharges. This proposal is not inclusive of any applicable surplus fees or charges. In order to bind coverage, please provide a written order, indicating the options desired.

This quotation expires 5/25/2012. Thank you for the opportunity to work with you on this account. Please do not hesitate to contact me if you have any questions.

Sincerely,

Brandon Reynolds
Senior Environmental Underwriter

If you want to learn more about the compensation Zurich pays agents and brokers, visit: <http://www.zurichnaproducercompensation.com> or call the following toll-free number: (866) 903-1192. This notice is provided on behalf of Zurich American Insurance Company and its underwriting subsidiaries.

The following are the applicable terms, conditions, and coverages of this Premium quotation:

Client Information	
Named Insured:	Standco Industries, Inc
Address:	TBD

Policy Information	
Company:	Steadfast Insurance Company (Non-Admitted)
Policy Form:	Z Choice Pollution Liability STF-EPC- 100-B CW(03/08)
Delimitation Date:	Policy Inception
Policy Period:	6/1/2012 to 6/1/2013 Separate policy terms may apply to certain coverages; please review the policy modifications section below.

Covered Locations	
Address/Description	Retroactive Date
2701 Clinton, Houston, Texas/Heavy Commercial/Industrial Use	N/A

Limits of Liability, Deductible, Policy Term and Premium				
Option #	Limits of Liability	Deductible	Term	Premium
	Each Pollution Event Limit/Aggregate Policy Limit (\$US)	Each Pollution Event (\$US)	(Years)	(\$US)
1	\$5,000,000/\$5,000,000	\$50,000	10	\$146,768
2	\$10,000,000/\$10,000,000	\$50,000	10	\$197,855
3	\$5,000,000/\$5,000,000	\$100,000	10	\$134,173
4	\$10,000,000/\$10,000,000	\$100,000	10	\$182,514

Premium Modifications	
TRIA:	A 1% additional charge applicable to coverage under the Terrorism Risk Insurance Program Reauthorization Act of 2007 will apply if TRIA is chosen. Please refer to the attached Disclosure of Premium Notice.
Commission:	15%

Surplus Lines Filings	
	Insurance offered through Steadfast Insurance Company (Steadfast) or, for insureds domiciled in Delaware, Zurich American Insurance Company of Illinois (ZAI) must be placed by a surplus lines producer licensed in the jurisdiction where the policy is issued. The surplus lines producer shall be responsible for complying with all applicable regulatory requirements including the remittance of the premium tax.

NOTE: If the word YES appears in the PROVIDED column corresponding with an insuring agreement listed below, it means that such coverage is included in this quotation. If the word NO appears or the space is blank or blacked out or a coverage part is not listed it means that such coverage is not included in this quotation. Sub-limits

and separate deductibles may apply as reflected below.

Insuring Agreements/Coverages	PROVIDED	SUB-LIMIT/ AGGREGATE	SEPARATE DEDUCTIBLE
A: Cleanup Costs – Existing Pollution Event			
1.(a) On-Site First Party Discovery	YES	NO	NO
1.(b) On-Site Third Party Liability	YES	NO	NO
2.(a) Off-Site First Party Discovery	YES	NO	NO
2.(b) Off-Site Third Party Liability	YES	NO	NO
B: Bodily Injury or Property Damage – Existing Pollution Event			
1.(a) On-Site Bodily Injury	YES	NO	NO
1.(b) On-Site Property Damage	YES	NO	NO
2.(a) Off-Site Bodily Injury	YES	NO	NO
2.(b) Off-Site Property Damage	YES	NO	NO
C: Cleanup Costs – New Pollution Event			
1.(a) On-Site First Party Discovery	NO	NO	NO
1.(b) On-Site Third Party Liability	NO	NO	NO
2.(a) Off-Site First Party Discovery	NO	NO	NO
2.(b) Off-Site Third Party Liability	NO	NO	NO
D: Bodily Injury or Property Damage – New Pollution Event			
1.(a) On-Site Bodily Injury	NO	NO	NO
1.(b) On-Site Property Damage	NO	NO	NO
2.(a) Off-Site Bodily Injury	NO	NO	NO
2.(b) Off-Site Property Damage	NO	NO	NO
E: Natural Resource Damages			
1. Existing Pollution Event	YES	NO	NO
2. New Pollution Event	NO	NO	NO
F: Non-Owned Locations			
1.(a) On-Site Bodily Injury	YES	NO	NO
1.(b) On-Site Property Damage	YES	NO	NO
1.(c) On-Site Cleanup Costs	YES	NO	NO
2.(a) Off-Site Bodily Injury	YES	NO	NO
2.(b) Off-Site Property Damage	YES	NO	NO
2.(c) Off-Site Cleanup Costs	YES	NO	NO
G: Transportation of Materials			
1. Bodily Injury	NO	NO	NO
2. Property Damage	NO	NO	NO
3. Cleanup Costs	NO	NO	NO
L: Lead Release Incident			
1. Bodily Injury	YES	NO	NO
2. Property Damage	YES	NO	NO
3. Cleanup Costs	YES	NO	NO
M: Asbestos Release Incident			
1. Bodily Injury	YES	NO	NO
2. Property Damage	YES	NO	NO
3. Cleanup Costs	YES	NO	NO

Policy Modifications

The Policy will be modified as follows:

1. STF-EPC-151- Schedule of Covered locations Endorsement-with Material Change in Use Exclusion
2. STF-EPC-143- Nuclear Exclusion Endorsement
3. STF-EPC-207- Minimum Earned Premium Endorsement
4. STF-EPC-115- Additional Named Insured Endorsement
5. STF-EPC-116- Additional Insured Endorsement
6. STF-EPC-119- Amendment of Cancellation Endorsement
7. STF-EPC-217- Deed Restriction Endorsement
8. STF-EPC-226- Crisis Management Endorsement
9. STF-EPC-192- Coverage F: Non-Owned Locations (Blanket) Endorsement
10. STF-EPC-MAN- Excluded Known Event-Exception for BI & PD with NFA Give Back Endorsement
11. STF-EPC-105- Maintenance, Upgrades, Improvements or Installations Endorsement
12. STF-EPC-147- Prior or Pending Litigation Exclusion Endorsement
13. STF-EPC-200- Coverage L: Lead Release Incident Endorsement
14. STF-EPC-252- Coverage M: Asbestos Release Incident Endorsement
15. STF-EPC-154- SIR Endorsement
16. U-GU-767-A CW (01/08) Cap on Losses From Certified Acts of Terrorism Endorsement

Conditions of Premium Quotation

Our receipt, review, and acceptance of all of the following information is required prior to binding, unless stated otherwise (terms, conditions, and pricing subject to change):

1. Completed, signed original Z Choice Pollution Liability Application(s) to be executed by an authorized representative of the "named insured(s)."
2. Name, address, license number, and license expiration date of the person making the Surplus Lines filing.

If you want to learn more about the compensation Zurich pays agents and brokers, visit: <http://www.zurichnaproducercompensation.com> or call the following toll-free number: (866) 903-1192. This notice is provided on behalf of Zurich American Insurance Company and its underwriting subsidiaries.

April 30, 2012

Jeff Hanneman
Aon Environmental
5555 San Felipe, Suite 1500
Houston, Texas 77056
O: 832-476-6853
Jeffrey.hanneman@aon.com

Reference: Standco Industries, Inc.

Dear Jeff,

This proposal is provided by Steadfast Insurance Company, a qualified surplus lines insurer. It is the responsibility of the surplus lines producer to ensure that this policy will be issued in accordance with applicable state requirements governing the placement of surplus lines insurance. These requirements include, but are not limited to, remittance of surplus lines taxes and, in some jurisdictions, filing of declination affidavits with the appropriate state insurance department or surplus lines stamping office.

To enable us to effect coverage in a timely manner, please complete, sign and return this letter to the undersigned as soon as possible.

Thank you for your cooperation.

Surplus Lines Producer Name: _____

Address: _____

City : _____ State: _____ Zip: _____

License # _____ State _____

Name of Individual Licensee (if applicable): _____

Phone: _____

Additional States of Exposure (if applicable): _____

New Hampshire Tax ID # (if applicable) _____

New Jersey SLA # (if applicable) _____

(state assigned 5 digit number to all SL licensees)

Signature _____ Date _____

Thank you,
Zurich North America
Commercial Markets – Environmental



Additional Named Insured

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.

Named Insured and Mailing Address:

Producer:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Z Choice Pollution Liability - Claims Made and Reported Coverage

In consideration of the payment of premium and the Deductible by the "named insured" and in reliance upon the statements made in the application process and in the Application all of which are made a part hereof, we agree, subject to all the terms, exclusions and conditions of the policy, that the person(s) or entity(s) listed below is(are) a "named insured" pursuant to DEFINITIONS, Section III., paragraph P. Named Insured:

Named Insured:

Name:	Address:	Retroactive Date:	Delimitation Date:
		N/A	Policy Inception
		N/A	Policy Inception

ALL OTHER TERMS, EXCLUSIONS, AND CONDITIONS OF THE POLICY APPLY AND REMAIN UNCHANGED.

Additional Insured



Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.

Named Insured and Mailing Address:

Producer:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

In consideration of the payment of premium and the Deductible by the "named insured and in reliance upon the statements made in the application process and in the Application all of which are made a part hereof, we agree, subject to all the terms, exclusions and conditions of the policy, that the person or entity scheduled below shall be added as an "insured" under this policy but solely with respect to liability arising from the "named insured's" ownership, operation, or use of a "covered location" and otherwise covered under the terms and conditions of this policy.

The coverage provided by this endorsement shall not apply to "claims" based upon or arising from the negligence, strict liability or acts, errors or omissions of the person or entity scheduled below as an additional "insured".

Schedule			
Name:			Address:

ALL OTHER TERMS, EXCLUSIONS, AND CONDITIONS OF THE POLICY SHALL AND REMAIN UNCHANGED.

Amendment of Cancellation



Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.

Named Insured and Mailing Address:

Producer:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Z Choice Pollution Liability Insurance – Claims Made and Reported Coverage

In consideration of the payment of premium and the Deductible by the "named insured" and in reliance upon the statements made in the application process and in the Application all of which are made a part hereof, we agree, subject to all the terms, exclusions and conditions of the policy, that CONDITIONS (Section VIII), Condition E., is deleted and replaced with the following:

E. CANCELLATION

This policy may be canceled by the "named insured" by surrender to us or by mailing to us written notice stating when thereafter cancellation shall be effective.

This policy may be canceled by us by mailing to the "named insured" at the address set out in Item 1 of the Declarations, a notice stating when thereafter such cancellation shall be effective. We may cancel this policy for the following reasons only:

1. Fraud or material misrepresentation;
2. Any "insured's" material failure to comply with the terms, conditions or contractual obligations under this policy including failure to pay the Deductible when due;
3. A material change in use of or operations conducted at any "covered location"; or
4. Nonpayment of premium.

The mailing of notice as aforesaid shall be sufficient proof of notice. The time of surrender or the effective date and hour of cancellation stated in the notice shall become the end of the "policy period". Delivery of such written notice either by the "named insured" or by us shall be equivalent to mailing. Notice of pending cancellation will be provided not less than: (a) Ninety (90) days for any "insured's" failure to comply with the terms, conditions or contractual obligations under this policy including failure to pay the Deductible when due, or change in use of, or operations conducted at the "covered location" that materially increases risks to which this insurance applies; (b) thirty (30) days for fraud or material misrepresentation; and (c) ten (10) days for nonpayment of premium.

If we cancel, subject to any minimum earned premium that may apply, the return premium will be calculated on a pro rata basis. If the "named insured" cancels, subject to any minimum earned premium that may apply, there may be no return premium or the return premium may be less than pro rata.

ALL OTHER TERMS, EXCLUSIONS, AND CONDITIONS OF THE POLICY APPLY AND REMAIN UNCHANGED.

Prior Or Pending Litigation Exclusion



Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.

Named Insured and Mailing Address:

Producer:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Z Choice Pollution Liability - Claims Made and Reported Coverage

In consideration of the payment of premium and the Deductible by the "named insured" and in and in reliance upon the statements made in the application process and in the Application all of which are made a part hereof, we agree, subject to all the terms, exclusions, and conditions of the policy, that the following is added to EXCLUSIONS (Section IV):

Prior or Pending Litigation

Any litigation, "claim", demand, cause of action, arbitration, legal or quasi-legal proceeding, decree or judgment against us or any "insured" or involving the "covered location":

- a. which took place prior to or is pending as of the effective date that the "covered location" was endorsed onto the policy and of which we or any "insured" had received notice or otherwise had knowledge of as of such date; or
- b. based on substantially the same matters as alleged in the pleadings of such prior or pending litigation, "claim", demand, cause of action, arbitration, legal or quasi-legal proceeding, decree or judgment against us or any "insured" or involving the "covered location"; or
- c. based upon or arising from any act of any "insured" which gave rise to such prior or pending litigation, "claim", demand, cause of action, legal or quasi-legal proceeding, decree or judgement against us or any "insured" or involving the "covered location".

ALL OTHER TERMS, EXCLUSIONS, AND CONDITIONS OF THE POLICY APPLY AND REMAIN UNCHANGED.

Schedule of Covered Locations with Material Change in Use/Operations Exclusion



Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.

Named Insured and Mailing Address:

Producer:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Z Choice Pollution Liability - Claims Made and Reported Coverage

In consideration of the payment of premium and the Deductible by the "named insured" and in reliance upon the statements made in the application process and in the Application all of which are made a part hereof, we agree, subject to all the terms, exclusions, and conditions of the policy, that the following are "covered location(s)" for purposes of Section III. Definitions, paragraph E.:

Covered Location Description	Use Description	Retroactive Date	Delimitation Date
2701 Clinton, Houston, Texas	Any use that does not lower the TCEQ Remediation Standard	N/A	Policy Inception

It is further agreed that the following is added to Section IV (Exclusions):

Material Change in Use or Operations

Any material change in the use of, or operations conducted at, a "covered location" from that which was disclosed in the Application or listed on this Schedule of Covered Locations endorsement. However, this exclusion does not apply to a specific change in use of, or operations conducted at, a "covered location" to which we have expressly given our prior written consent.

ALL OTHER TERMS, EXCLUSIONS, AND CONDITIONS OF THE POLICY APPLY AND REMAIN UNCHANGED.

midterm. If no entry appears or N/A appears in the space corresponding with the Aggregate Self Insured Retention above, then operation of the Self Insured Retention is as described in paragraph D.1 above.

3. Maintenance Deductible

If a Maintenance Deductible is shown in Item 4 of the Declarations above, then, upon the "named insured's" payment of Self Insured Retention amounts which equal the Aggregate Self Insured Retention, such Maintenance Deductible is the amount the "named insured" is obligated to pay for "cleanup costs", "loss", "natural resource damages", and "other loss" arising from the same, continuous or repeated "pollution event" or series of related "pollution events". If no entry appears or N/A appears in the space corresponding with Maintenance Deductible set forth in Item 4 of the Declarations above, then, once the Aggregate Self Insured Retention has been exhausted by payments by the "named insured" for "cleanup costs", "loss", "natural resource damages", and "other loss", we will pay "cleanup costs," "loss", "natural resource damages", and "other loss" up to the Limits of Liability without application of the Each Pollution Event, Aggregate Self Insured Retention or Maintenance Deductible amount. If no entry appears or N/A appears in the space corresponding with the Maintenance Deductible and Aggregate Self Insured Retention above, then operation of the Self Insured Retention is as described in paragraph D.1 above.

4. Payment as Amount Incurred

The "named insured" shall pay all amounts as those amounts are incurred until it has paid all amounts for "cleanup costs", "loss", "natural resource damages" or "other loss" equal to the applicable Self Insured Retention or Maintenance Deductible amount.

5. Authorized Claim Service Provider

(a) The "named insured" shall retain a claim service provider acceptable to us to provide claim services for settlement of any "cleanup costs", "loss", "natural resource damages" or "other loss" within the applicable Self Insured Retention. The fees, charges, and costs of such claim service provider shall be in addition to the Self Insured Retention, without any reimbursement from us.

(b) In the event of cancellation, expiration or revision of the claims service contract between the "named insured" and the claims service provider, the "named insured" shall notify us within ten (10) days of such cancellation, expiration or revision and shall replace the claims service provider with another claim service provider that is acceptable to us.

6. Notice of Claim

(a) Pursuant to the notice of claim requirements set forth in CLAIM PROVISIONS (Section VII.), the "named insured" must notify us as soon as possible of the following, and adhere to the procedures below in reporting any "cleanup costs", "loss", "natural resource damages" or "other loss" within the Self Insured Retention:

- i. Potential exposure which equals or exceeds 50% of the Each Pollution Event Self Insured Retention amount shown in Item 4 of the Declarations above;
- ii. "Cleanup costs", "loss", "natural resource damages" or "other loss" or loss reserve established which equals or exceeds 50% of the Each Pollution Event Self Insured Retention amount shown in Item 4 of the Declarations above;
- iii. Potential judgment without regard to liability, which equals or exceeds 50% of the Each Pollution Event Self- Insured Retention amount shown in Item 4 of the Declarations above;
- iv. "Cleanup costs", "loss", "natural resource damages" or "other loss" or any "claim" or any "pollution event" which involves any of the following injuries:
 - a. Death;
 - b. Brain Damage;
 - c. Paraplegic or quadriplegic impairment;
 - d. Amputation or serious functional impairment of any major limb;
 - e. Severe burns involving more than 25% of the body or causing serious disfigurement;
 - f. Sensory impairment (sight, hearing, taste or smell);

- g. Severe internal body organ damage or loss;
 - h. Multiple fractures involving more than one body part;
 - i. Permanent and total disability;
 - j. Significant psychological/neurological involvement;
 - k. explosion or fire;
 - l. class action suits.
- (b) If a Maintenance Deductible applies, the "named insured" shall report any "claim" or "pollution event" giving rise to "cleanup costs", "loss", "natural resource damages" or "other loss" pursuant to CLAIM PROVISIONS (Section VIII.) as stated in the policy.

7. Periodic Reporting of Status

- (a) The "named insured" or its authorized claim service provider must monitor the cumulative Self Insured Retention incurred amounts sustained during the "policy period" and report those total amounts to us in accordance with the time periods indicated in the Periodic Reporting of Status set forth in Item 4 of the Declarations above. If at any time during the "policy period" the total of all incurred "cleanup costs," "loss", "natural resource damages" or "other loss" equals 75% of the Aggregate Self Insured Retention, the "named insured" must make an immediate report to us of such total incurred "cleanup costs", "loss", "natural resource damages" or "other loss" sustained at that time.
- (b) The report must be in a format that is acceptable to us, and include an accounting of all "cleanup costs", "loss", "natural resource damages" or "other loss" incurred as of the date of the report.
- (c) Within forty-five (45) days after the end of the "policy period", the "named insured" must give us a listing of all "cleanup costs", "loss", "natural resource damages" or "other loss" or any "claim" or any "pollution event" within the Each Pollution Event Self Insured Retention. At a minimum, such listing will include the following for each:
- i. A description of each "claim" or "pollution event" giving rise to "cleanup costs", "loss", "natural resource damages" or "other loss";
 - ii. The date of the underlying "pollution event";
 - iii. The amounts paid and reserved for future payments for "cleanup costs," "loss", "natural resource damages" or "other loss"; and
 - iv. The current status of the "claim" or "pollution event" giving rise to "cleanup costs", "loss", "natural resource damages" or "other loss".
- (d) Quarterly thereafter, the "named insured" is required to give to us an updated listing of the status of all "claim(s)", both paid and reserved, until all "claims" or "pollution event" giving rise to "cleanup costs", "loss", "natural resource damages" or "other loss" for the "policy period" are closed or settled.
- (e) Compliance with the reporting requirements set forth in this endorsement is a condition precedent to coverage. The "named insured" acknowledges that in the event of non-compliance we shall not be required to establish prejudice resulting from the non-compliance, but shall be automatically relieved of liability with respect to the "claim" or "pollution event" giving rise to "cleanup costs", "loss", "natural resource damages" or "other loss".

8. Self Insured Retention and Claim Expenses

- (a) If a "named insured" refuses to respond to its obligation for the payment of Self Insured Retention amounts for any reason, the insurance provided by this policy shall not make payments, nor in any event shall we be required to substitute for such "named insured" as respects its responsibility for payment of these Self Insured Retention amounts.
- (b) We shall be liable only for "cleanup costs," "loss", "natural resource damages" or "other loss" in excess of the Self Insured Retention amounts as applicable, shown in item 4 of the Declarations above, up to the applicable Limits of Liability shown in Item 3 of the Declarations.

9. Settlement of Claims

The "named insured" may not settle any "claim" or any "cleanup costs", "loss", "natural resource damages" or "other loss" which exceeds any Self Insured Retention indicated in Item 4 of the Declarations above without our prior written approval. If the "named insured" fails to obtain such prior written approval, we shall have no obligation to provide coverage for that "claim" or for any "cleanup costs", "loss", "natural resource damages" or "other loss" under this policy.

We have the right to negotiate the settlement of any "claim", "cleanup costs", "loss", "natural resource damages" or "other loss" tendered to us and covered under the terms and conditions of the policy which may exceed the Self Insured Retention shown in Item 4 of the Declarations above, in this endorsement. We may pay any or all of the Self Insured Retention amounts on a "named insured's" behalf to defend or to effect settlement of the "claim". If we have paid such amounts, the "named insured" shall promptly reimburse us.

ALL OTHER TERMS, EXCLUSIONS, AND CONDITIONS OF THE POLICY APPLY AND REMAIN UNCHANGED.

Maintenance, Upgrades, Improvements or Installations Endorsement



Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.

Named Insured and Mailing Address:

Producer:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Z Choice Pollution Liability - Claims Made and Reported Coverage

In consideration of the payment of premium and the self-insured retention by the "named insured" and in reliance upon the statements made in the application process and in the Application all of which are made a part hereof, we agree, subject to all the terms, exclusions and conditions of the policy, that EXCLUSIONS (Section IV), paragraph G. Maintenance, Upgrades, Improvements or Installations is deleted in its entirety and replaced with the following:

G. Maintenance, Upgrades, Improvements or Installations

Any costs, charges or expenses for maintenance, upgrade or improvement of, or installation of any preventative measures to, any property or processes on, at, within or under a "covered location" even if such maintenance, upgrade, improvement or installation is required:

1. By "governmental authority"; or
2. As a result of "cleanup costs", "loss", "natural resource damages" or "other loss" otherwise covered under the policy.

ALL OTHER TERMS, EXCLUSIONS, AND CONDITIONS OF THE POLICY SHALL AND REMAIN UNCHANGED.

Z Choice Coverage F: Non-Owned Locations (Blanket)



Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.

Named Insured and Mailing Address:

Producer:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Z Choice® Pollution Liability- Claims Made and Reported Coverage

In consideration of the payment of premium and the Deductible by the "named insured" and in reliance upon the statements made in the application process and in the Application all of which are made a part hereof, we agree, subject to all the terms, exclusions and conditions of the policy, that the following changes are made to the policy solely with respect to coverage under this endorsement and solely with respect to waste and/or materials generated at the following "covered locations" and subject to any applicable "retroactive date":

Covered Location	Retroactive Date

I. INSURING AGREEMENTS (Section I.), is amended to include the following **BUT ONLY IF AND TO THE EXTENT COVERAGE F IS SPECIFICALLY LISTED AS PROVIDED IN ITEM 5 OF THE DECLARATIONS**

COVERAGE F: NON-OWNED LOCATIONS

1. On-Site

(a) Bodily Injury

We will pay "loss" that an "insured" is legally obligated to pay as a result of a "claim" for "bodily injury":

- (i) sustained by a "third party" while within the boundaries of a "non-owned location"; and
- (ii) resulting from a "pollution event" on, at or under such "non-owned location";

provided the "claim" is first made against the "insured" during the "policy period" and the "claim" is reported to us in writing during the "policy period" or any applicable extended reporting period.

(b) Property Damage

We will pay "loss" that an "insured" is legally obligated to pay as a result of a "claim" for "property damage":

- (i) to "third party" property within the boundaries of a "non-owned location"; and
- (ii) resulting from a "pollution event" on, at or under such "non-owned location";

provided the "claim" is first made against the "insured" during the "policy period", and the "claim" is reported to us in writing during the "policy period" or any applicable extended reporting period.

(c) Third Party Cleanup Costs

We will pay "cleanup costs" that an "insured" is legally obligated to pay as a result of a "claim" resulting from a "pollution event" on, at, or under a "non-owned location", provided the "claim" is first made against the "insured" during the "policy period" and the "claim" is reported to us in writing during the "policy period" or any applicable extended reporting period.

Unless covered under any other insuring agreement specifically listed as provided in Item 5 of the Declarations, we shall have no obligation to pay any "loss" or "cleanup costs" attributable to any irritant, contaminant or pollutant that is outside the boundaries of a "non-owned location".

2. Off-Site

(a) Bodily Injury

We will pay "loss" that an "insured" is legally obligated to pay as a result of a "claim" for "bodily injury":

- (i) sustained by a "third party" while beyond the boundaries of a "non-owned location"; and
- (ii) resulting from a "pollution event" that migrates beyond the boundaries from such "non-owned location";

provided the "claim" is first made against the "insured" during the "policy period", and the "claim" is reported to us in writing during the "policy period" or any applicable extended reporting period.

(b) Property Damage

We will pay "loss" that an "insured" is legally obligated to pay as a result of a "claim" for "property damage":

- (i) to "third party" property beyond the boundaries of a "non-owned location"; and
- (ii) resulting from a "pollution event" that is migrating beyond the boundaries from such "non-owned location";

provided the "claim" is first made against the "insured" during the "policy period", and the "claim" is reported to us in writing during the "policy period" or any applicable extended reporting period.

(c) Third Party Cleanup Costs

We will pay "cleanup costs" that an "insured" is legally obligated to pay as a result of a "claim" resulting from a "pollution event" that migrates beyond the boundaries from a "non-owned location" provided the "claim" is first made against the "insured" during the "policy period", and the "claim" is reported to us in writing during the "policy period" or any applicable extended reporting period.

Unless covered under any other insuring agreement specifically listed as provided in Item 5 of the Declarations, we shall have no obligation to pay any "loss" or "cleanup costs" attributable to any irritant, contaminant or pollutant that is on, at or under a "non-owned location".

II. The following are added to DEFINITIONS (Section III.) solely with respect to coverage provided by this endorsement:

"Non-owned location" means a location that is neither partially nor wholly owned or operated by an "insured" or any subsidiary or affiliate company of an "insured" that, at the time of any treatment, recycling, reclamation, storage or disposal of any waste, products and/or materials generated from a "covered location" scheduled in this endorsement, is:

1. Licensed and/or certified by "governmental authority" to accept waste, products and/or materials generated from a "covered location" scheduled in this endorsement; and
2. Not listed on the CERCLA Information System (CERCLIS) as defined in the Code of Federal Regulations, 40 CFR Part 300.5 (revised as of July 1, 2000) or any state or local equivalent.

"Third party" means any person or entity other than an owner, operator, contractor or sub-contractor of the "non-owned location" or their employees.

III. The following is added to Section IV. EXCLUSIONS solely with respect to coverage provided by this endorsement:

Products Liability

Goods or products designed, manufactured, sold, handled, distributed, or supplied by the "insured" or by others trading under their name or under license from the "insured".

IV. CONDITIONS (Section VIII.), Condition K., Other Insurance, is replaced with the following solely with respect to coverage provided by this endorsement:

K. OTHER INSURANCE – When other insurance is available to the "insured" for "loss" or "cleanup costs" under the terms and conditions of this policy and this endorsement, our obligation to the "insured" shall be as follows:

1. The coverage provided by this policy and this endorsement shall apply as excess insurance over any other valid and collectible insurance, be it primary or excess. Notwithstanding the foregoing, this excess insurance shall operate as primary insurance as a result of the receivership, insolvency, or inability to pay of any insurer with respect to both the duty to indemnify and the duty to defend but shall not apply as primary insurance to the "insured" while acting as a self-insured for any coverage.
2. Where this insurance is excess insurance, we will pay only our share of the amount of "loss" or "cleanup costs" if any, that exceeds the total amount of all such valid and collectible insurance.

The "insured" shall promptly, upon our request, provide us with copies of all policies potentially applicable to liability covered by this endorsement.

ALL OTHER TERMS, EXCLUSIONS, AND CONDITIONS OF THE POLICY APPLY AND REMAIN UNCHANGED.



Z Choice Coverage L: Lead Release Incident – Bodily Injury, Property Damage And Cleanup Costs

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.

Named Insured and Mailing Address:

Producer:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Z Choice™ Pollution Liability - Claims Made and Reported Coverage

Covered Location	Retroactive Date	Delimitation Date

In consideration of the payment of premium and the Deductible by the "named insured" and in reliance upon the statements made in the application process and in the Application all of which are made a part hereof, we agree, subject to all the terms, exclusions, and conditions of the policy, that the following modifications shall apply to the policy solely with respect to coverage provided by this endorsement and only for the "covered locations" scheduled above.

I. INSURING AGREEMENTS (Section I.) is amended to include the following BUT ONLY IF AND TO THE EXTENT COVERAGE L IS SPECIFICALLY LISTED AS PROVIDED IN ITEM 5 OF THE DECLARATIONS:

COVERAGE L: LEAD RELEASE INCIDENT

1. Bodily Injury

We will pay "loss" that an "insured" is legally obligated to pay as a result of a "claim" for "bodily injury" to a "third party" resulting from a "lead release incident" at, on, under or migrating beyond the boundaries from a "covered location", provided the "claim" is first made against the "insured" during the "policy period" and the "claim" is reported to us in writing during the "policy period" or any applicable extended reporting period.

2. Property Damage

We will pay "loss" that an "insured" is legally obligated to pay as a result of a "claim" for "property damage" to "third party" property resulting from a "lead release incident" at, on, under or migrating beyond the boundaries from a "covered location", provided the "claim" is first made against the "insured" during the "policy period" and the "claim" is reported to us in writing during the "policy period" or any applicable extended reporting period.

3. Cleanup Costs

We will pay "cleanup costs" that an "insured" is legally obligated to pay as a result of a "claim" resulting from a "lead release incident" at, on, under or that migrates beyond the boundaries from a "covered location", provided

the "claim" is first made against the "insured" during the "policy period" and the "claim" is reported to us in writing during the "policy period" or any applicable extended reporting period.

II. DEFINITIONS (SECTION III.), paragraph V. "pollution event" is replaced with the following solely with respect to coverage provided by this endorsement and Coverages H (Suspension of Operations), I (Suspension of Tenant Occupancy), and J (Delay in Construction) BUT ONLY IF AND TO THE EXTENT SUCH COVERAGE(S) IS/ARE SPECIFICALLY LISTED AS PROVIDED IN ITEM 5 OF THE DECLARATIONS:

V. "Pollution event" means the discharge, dispersal, release, or escape of any solid, liquid, gaseous or thermal irritant, contaminant or pollutant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste into or upon land, or any structure on land, the atmosphere, or any watercourse or body of water including groundwater. "Pollution event" includes a "lead release incident".

III. The following are added to DEFINITIONS (Section III.) solely with respect to coverage provided by this endorsement:

"Lead abatement" means any activities to remove, prevent, abate, avoid or control the release of "lead-in-place" including, but not limited to, removal, encapsulation, repair, enclosure, encasement, and operations and maintenance programs.

"Lead-in-place" means lead-based paint applied at the "covered location" prior to the inception date of the "policy period".

"Lead release incident" means a discharge, dispersal, release or escape of "lead-in-place" at the "covered location" which first commences during the "policy period".

"Third party" means any person or entity other than an "insured" or any person or entity performing "lead abatement" operations.

IV. EXCLUSIONS (Section IV.) paragraph A. Asbestos and Lead is replaced with the following solely with respect to coverage provided by this endorsement:

A. Asbestos and Lead

Any asbestos-containing material or lead-based paint which are or were part of any fixtures, buildings or improvements on, at or under the "covered location". However, this exclusion does not apply to:

1. "cleanup costs" to the extent attributable to asbestos-containing materials or lead based paint in the soil or groundwater; or
2. "bodily injury" or "property damage" resulting from a "lead release incident".

V. EXCLUSIONS (Section IV.) is amended to add the following solely with respect to coverage provided by this endorsement:

Lead Abatement

A "lead release incident" arising or alleged to have arisen, in whole or in part, from "lead abatement".

VI. CONDITIONS, (Section VIII.), Condition K., Other Insurance is replaced with the following solely with respect to coverage provided by this endorsement:

K. OTHER INSURANCE - When other insurance is available to the "insured" for "loss" covered under the terms and conditions of this policy and this endorsement, our obligation to the "insured" shall be as follows:

1. The coverage provided by this endorsement shall apply as excess insurance over any other valid and collectible insurance, be it primary or excess. Notwithstanding the foregoing, this excess insurance shall operate as primary insurance as a result of the receivership, insolvency, or inability to pay of any insurer with respect to both the duty to indemnify and the duty to defend but shall not apply as primary insurance to the "insured" while acting as a self-insured for any coverage.
2. Where this insurance is excess insurance, we will pay only our share of the amount of "loss" including "claim expense", if any, that exceeds the total amount of all such valid and collectible insurance.

Upon our request, an "insured" shall promptly provide us with copies of all policies potentially applicable to liability covered by this endorsement.

ALL OTHER TERMS, EXCLUSIONS, AND CONDITIONS OF THE POLICY APPLY AND REMAIN UNCHANGED.

Minimum Earned Premium



Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.

Named Insured and Mailing Address:

Producer:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Z Choice™ Pollution Liability – Claims Made and Reported Coverage

In consideration of the payment of premium and the Deductible by the "named insured" and in reliance upon the statements made in the application process and in the Application all of which are made a part hereof, we agree, subject to all the terms, exclusions, and conditions of the policy, that this policy has a 25% earned premium at inception and is fully earned as of the first anniversary of the inception date.

ALL OTHER TERMS, EXCLUSIONS, AND CONDITIONS OF THE POLICY SHALL AND REMAIN UNCHANGED.

Deed Restrictions and Land Use Controls Exclusion



Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.

Named Insured and Mailing Address:

Producer:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Z Choice[®] Pollution Liability- Claims Made and Reported Coverage

In consideration of the payment of premium and the Deductible by the "named insured" and in reliance upon the statements made in the application process and in the Application all of which are made a part hereof, we agree, subject to all the terms, exclusions and conditions of the policy, that EXCLUSIONS (Section IV.) shall be amended to add the following:

Deed Restrictions and Land Use Controls

Any noncompliance with, or violation of, any deed restrictions, restrictive covenants or land use controls applicable to a "covered location".

ALL OTHER TERMS, EXCLUSIONS, AND CONDITIONS OF THE POLICY APPLY AND REMAIN UNCHANGED.

Crisis Management Expense Endorsement



Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.

Named Insured and Mailing Address:

Producer:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Z Choice® Pollution Liability - Claims Made and Reported Coverage

In consideration of the payment of premium and the Deductible by the "named insured" and in reliance upon the statements made in the application process and in the Application all of which are made a part hereof, we agree, subject to all the terms, exclusions, and conditions of the policy, that that the following changes are made to the policy:

I. Item 3. Limits of Liability of the Declarations is amended to add the following:

\$50,000 Crisis Management Expense Aggregate Limit

II. Item 5. Coverages of the Declarations is amended to add the following:

INSURING AGREEMENTS	PROVIDED	SUB-LIMIT / AGGREGATE	SEPARATE DEDUCTIBLE
Coverage R: Crisis Management Expense	YES		

III. INSURING AGREEMENTS (Section I.) is amended to include the following:

COVERAGE R: CRISIS MANAGEMENT EXPENSE

We will pay "crisis management expense" in response to a "pollution event" that the "named insured" reasonably expects could give rise to "loss" or "cleanup costs" under the policy and subjects the "named insured" to significant adverse regional or national media attention. "Crisis management expense" must be first incurred by the "insured" during the "policy period".

IV. DEFINITIONS (Section III) is amended to include the following solely with respect to coverage provided by this endorsement:

"Crisis management expense" means reasonable and necessary costs, charges, expenses and fees that are incurred by the "insured":

1. To retain a public relations or crisis management firm with our consent which shall not be unreasonably withheld, to help maintain or restore public confidence in the "named insured";
2. For essential emergency travel expenses incurred by the "named insured's" principals, partners, directors or employees;
3. For rental of temporary staging or meeting space necessitated by the unavailability of the "named insured's" space as a result of the "pollution event";
4. For any other services or activities for which we have given our prior written consent.

V. LIMITS OF LIABILITY AND DEDUCTIBLE (Section VI) is amended to include the following:

H. CRISIS MANAGEMENT EXPENSE AGGREGATE LIMIT

The most we will pay for all "crisis management expense" to which this insurance applies is the Crisis Management Expense Aggregate Limit set forth in Item 3 of the Declarations. The Crisis Management Expense Aggregate Limit does not reduce or exhaust any other Limit of Liability.

ALL OTHER TERMS, EXCLUSIONS, AND CONDITIONS OF THE POLICY APPLY AND REMAIN UNCHANGED.



Z Choice Coverage M: Asbestos Release Incident – Bodily Injury, Property Damage And Cleanup Costs for the Soil, Surface water or Groundwater

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.

Named Insured and Mailing Address:

Producer:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Z Choice™ Pollution Liability - Claims Made and Reported Coverage

Covered Location	Retroactive Date	Delimitation Date

In consideration of the payment of premium and the Deductible by the "named insured" and in reliance upon the statements made in the application process and in the Application all of which are made a part hereof, we agree, subject to all the terms, exclusions, and conditions of the policy, that the following modifications shall apply to the policy solely with respect to coverage provided by this endorsement and only for the "covered locations" scheduled above.

I. Coverage M of Item 5 of the Declarations shall be deleted and replaced with the following:

INSURING AGREEMENTS	PROVIDED	SUB-LIMIT / AGGREGATE	SEPARATE DEDUCTIBLE
Coverage M: Choice Coverage – Asbestos Release Incident			
1. Bodily Injury	YES	NO	NO
2. Property Damage	YES	NO	NO
3. Cleanup Costs	YES	NO	NO

II. INSURING AGREEMENTS (Section I.) is amended to include the following BUT ONLY IF AND TO THE EXTENT COVERAGE M IS SPECIFICALLY LISTED AS PROVIDED IN ITEM 5 OF THE DECLARATIONS:

COVERAGE M: ASBESTOS RELEASE INCIDENT

1. Bodily Injury

We will pay "loss" that an "insured" is legally obligated to pay as a result of a "claim" for "bodily injury" to a "third party" resulting from an "asbestos release incident" at, on, under or that migrates beyond the boundaries from a

"covered location", provided the "claim" is first made against the "insured" during the "policy period" and the "claim" is reported to us in writing during the "policy period" or any applicable extended reporting period.

2. Property Damage

We will pay "loss" that an "insured" is legally obligated to pay as a result of a "claim" for "property damage" resulting from an "asbestos release incident" at, on, under or that migrates beyond the boundaries from a "covered location", provided the "claim" is first made against the "insured" during the "policy period" or any applicable extended reporting period.

3. Cleanup Costs

We will pay "loss" that an "insured" is legally obligated to pay as a result of a "claim" for "cleanup costs" for the soil, surface water or groundwater resulting from an "asbestos release incident" at, on, under or that migrates beyond the boundaries from a "covered location", provided the "claim" is first made against the "insured" during the "policy period" or any applicable extended reporting period.

III. DEFINITIONS (Section III.), Paragraph V. "pollution event" is replaced with the following solely with respect to coverage provided by this endorsement and Coverages H (Suspension of Operations), I (Suspension of Tenant Occupancy), and J (Delay in Construction) BUT ONLY IF AND TO THE EXTENT SUCH COVERAGE(S) IS/ARE SPECIFICALLY LISTED AS PROVIDED IN ITEM 5 OF THE DECLARATIONS:

V. "Pollution event" means the discharge, dispersal, release, or escape of any solid, liquid, gaseous or thermal irritant, contaminant or pollutant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste into or upon land, or any structure on land, the atmosphere, or any watercourse or body of water including groundwater. "Pollution event" includes an "asbestos release incident".

IV. The following are added to DEFINITIONS (Section III.) solely with respect to coverage provided by this endorsement:

"Asbestos abatement" means any activities to remove, or prevent, abate, avoid, or control the release of "asbestos-in-place" including, but not limited to, removal, encapsulation, repair, enclosure, encasement, and operations and maintenance programs.

"Asbestos-in-place" means asbestos-containing material installed at the "covered location" prior to the inception date of the "policy period".

"Asbestos release incident" means the discharge, dispersal, release or escape of "asbestos-in-place" at the "covered location".

"Third party" means any person or entity other than an "insured" or any person or entity performing any "asbestos abatement" operations.

V. EXCLUSIONS (Section IV.) paragraph A. Asbestos and Lead is replaced with the following solely with respect to coverage provided by this endorsement:

A. Asbestos and Lead

Any asbestos-containing material or lead-based paint which are or were part of any fixtures, buildings or improvements on, at or under the "covered location". However, this exclusion does not apply to:

1. "cleanup costs" to the extent attributable to asbestos containing materials or lead based paint in the soil, surface water or groundwater; and
2. "bodily injury" or "property damage" resulting from an "asbestos release incident".

VI. EXCLUSIONS (Section IV.) is amended to add the following solely with respect to coverage provided by this endorsement:

Asbestos Abatement

An "asbestos release incident" arising or alleged to have arisen, in whole or in part, from "asbestos abatement".

VII. CONDITIONS, (Section VIII.), Condition K., Other Insurance is replaced with the following solely with respect to coverage provided by this endorsement:

K. OTHER INSURANCE - When other insurance is available to the "insured" for "loss" covered under the terms and conditions of this policy and this endorsement, our obligation to the "insured" shall be as follows:

1. The coverage provided by this endorsement shall apply as excess insurance over any other valid and collectible insurance, be it primary or excess. Notwithstanding the foregoing, this excess insurance shall operate as primary insurance as a result of the receivership, insolvency, or inability to pay of any insurer with respect to both the duty to indemnify and the duty to defend but shall not apply as primary insurance to the "insured" while acting as a self-insured for any coverage.
2. Where this insurance is excess insurance, we will pay only our share of the amount of "loss" including "claim expenses", if any, that exceeds the total amount of all such valid and collectible insurance.

Upon our request an "insured" shall promptly provide us with copies of all policies potentially applicable to liability covered by this endorsement.

ALL OTHER TERMS, EXCLUSIONS, AND CONDITIONS OF THE POLICY APPLY AND REMAIN UNCHANGED.



ZURICH®

Excluded Known Pollution Event – Exception for Bodily Injury and Property Damage

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
EPC 98057111-00	12/06/2011	12/06/2021	12/06/2011	09220000	-	-

Named Insured and Mailing Address:

Producer:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Z Choice® Pollution Liability- Claims Made and Reported Coverage

In consideration of the payment of premium and the Deductible by the "named insured and in reliance upon the statements made in the application process and in the Application all of which are made a part hereof, we agree, subject to all the terms, exclusions and conditions of the policy, that the following scheduled "pollution event" is a known "pollution event" and therefore excluded from coverage under EXCLUSIONS (Section IV.), paragraph E. Known Pollution Event. Notwithstanding the foregoing, the schedule below is not intended to represent and it may not be a complete list of all known "pollution events." Therefore, it does not supersede the application of Exclusion E with respect to any other "pollution event" that is known by a "responsible insured" prior to the effective date of the applicable insuring agreement specifically listed as provided in Item 5 of the Declarations, other than any known "pollution event" that is listed on a Disclosed Documents endorsement or a Known Pollution Event Schedule:

Schedule of Excluded Known Pollution Events	
"COVERED LOCATION"	"POLLUTION EVENT" REFERENCE
2701 Clinton, Houston, Texas	Known contamination PHASE II

The "pollution event" referenced above includes any contaminants generally accepted in the relevant scientific community at the time of the effective date of the applicable insuring agreement specifically listed as provided in Item 5 of the Declarations as a byproduct or breakdown product of any of the contamination referred to above, whether listed on this endorsement or not. The "pollution event" shall be deemed to include the entire quantity and geographic extent of any contaminant which is ultimately determined to have been released as or to have constituted part of such "pollution event," without regard to whether:

- a. The contaminant, or its byproduct or breakdown product, was identified in a quantity or concentration requiring remedial action or such quantity or concentration represents the natural background concentration of the contaminant, byproduct or breakdown product; or
- b. The contaminant, or its byproduct or breakdown product, is subsequently determined to have migrated across or through one or more environmental media before or after identification as part of the "pollution event".

It is further agreed that upon our receipt, review and acceptance during the "policy period" of a written No Further Action Letter or any other State designation that is equivalent with respect to any portion of or all of the above scheduled Excluded Known Pollution Event(s), this endorsement may be amended, in our sole discretion, by issuance of a revision to provide coverage for "cleanup costs" under Coverage A caused by such scheduled "pollution event" subject to the terms and conditions of the endorsement and to the extent that the "insured" has purchased Coverage A coverage. We have the discretion to accept or reject any No Further Action Letter or equivalent. Further, we reserve our right to add terms, exclusions and conditions to such Revised Scheduled Known Pollution Event Endorsement, if issued by us, and to charge additional premium.

However, this exclusion does not apply to "bodily injury" or "property damage".

ALL OTHER TERMS AND CONDITIONS OF THE POLICY SHALL APPLY AND REMAIN UNCHANGED.

Nuclear Exclusion



Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.

Named Insured and Mailing Address:

Producer:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Z Choice Pollution Liability - Claims Made and Reported Coverage

In consideration of the payment of premium and the Deductible by the "named insured" and in reliance upon the statements made in the application process and in the Application all of which are made a part hereof, we agree, subject to all the terms, exclusions, and conditions of the policy, that the following is added to EXCLUSIONS (Section IV.):

Nuclear

1. Any coverage for "cleanup costs," or "loss", "natural resource damages" or "other loss" and including any applicable "claim expenses."
 - a. With respect to which an "insured" under the policy is also an "insured" under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an "insured" under any such policy but for its termination upon exhaustion of its limit of liability; or
 - b. Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
2. Under any liability coverage, "cleanup costs," "loss", "natural resource damages" or "other loss" including any applicable "claim expenses" resulting from "hazardous properties" of "nuclear material," if:
 - a. The "nuclear material" (i) is at any "nuclear facility" owned by or operated by or on behalf of, an "insured" or (ii) has been discharged or dispersed therefrom;
 - b. The "nuclear material" is contained in "spent fuel," or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or
 - c. The "cleanup costs," "loss," "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility," but if such facility is located within the United States of America, its territories or possessions

or Canada, this exclusion (3) applies only to "property damage" to such "nuclear facility" and any property thereat. As used in this exclusion:

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material," "special nuclear material" or "by-product material."

"Source material," "special nuclear material," and **"by-product material"** have the meanings given them in the Atomic Energy act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor."

"Waste" means any waste matter (a) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (b) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility."

"Nuclear facility" means:

- a. Any "nuclear reactor";
- b. Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel," or (3) handling, processing or packaging "waste";
- c. Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
- d. Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material. "Property damage" for the purposes of this endorsement, includes all forms of radioactive contamination of property.

ALL OTHER TERMS, EXCLUSIONS, AND CONDITIONS OF THE POLICY APPLY AND REMAIN UNCHANGED.