

## PUBLIC ENTITY COVERAGE AMENDATORY ENDORSEMENT

Named Insured			Endorsement Number
Policy Symbol	Policy Number	Policy Period <b>to</b>	Effective Date of Endorsement
Issued By (Name of Insurance Company)			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

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

The “insureds” and the Insurer hereby agree to the following changes to this Policy:

**I. Section I., INSURING AGREEMENTS, of this Policy is hereby amended by addition of the following:**

**SUPPLEMENTAL COVERAGE - COVERED OPERATIONS**

“Claims” and “first-party claims” arising out of a “pollution condition” or “indoor environmental condition” resulting from “covered operations”, provided the “claim” is first made, or the “insured” first discovers the “pollution condition” or “indoor environmental condition” that is the subject of such “first-party claim”, during the “policy period”. Any such “claim” or “first-party claim” must be reported to the Insurer, in writing, during the “policy period” or within thirty (30) days after the expiration of the “policy period”, or during any applicable “extended reporting period”.

The coverage afforded pursuant to this Supplemental Coverage shall only apply to “pollution conditions” or “indoor environmental conditions” that first commence, in their entirety, on or after the Retroactive Date identified below and prior to the expiration of the “policy period”.

Retroactive Date:

**II. Solely with respect to the coverage afforded pursuant to the Supplemental Coverage in this Endorsement, the following additional provisions apply:**

**Limits of Liability and Self-Insured Retention**

**Per Operations Condition Sublimit of Liability: \$**

**Aggregate Operations Conditions Sublimit of Liability: \$**

The amount that the Insurer shall pay pursuant to this Policy for “loss” for coverage afforded pursuant to this Endorsement shall be subject to the Per Operations Condition Sublimit of Liability and Aggregate Operations Conditions Sublimit of Liability identified above. Therefore, the Per Operations Condition Sublimit of Liability, above, shall be the maximum amount the Insurer shall pay for all “loss” arising out of or related to the same, continuous, repeated, or related “pollution condition” or “indoor environmental condition” resulting from “covered operations” to which this insurance applies. Moreover, the Aggregate Operations Conditions Sublimit of Liability, above, shall be the maximum amount the Insurer shall pay for all “loss” arising out of or related to all “pollution conditions” and “indoor environmental conditions” resulting from “covered operations” to which this insurance applies. These Sublimits of Liability are subject to, and payments made within these Sublimits of Liability shall erode, the Limits of Liability identified in Item **3.** of the Declarations to this Policy, along with any other applicable exposure-specific Limits or Sublimits of Liability added by endorsement hereto. Under no circumstance shall the Insurer be liable to pay any amount in excess of any applicable Limit or Sublimit of Liability.

**Per Operations Condition Self-insured Retention: \$**

Notwithstanding anything identified in Item **4.** of the Declarations to this Policy that might be construed to the contrary, the Per Operations Condition Self-Insured Retention, above, shall be the “self-insured retention”

applicable to any coverage provided pursuant to this Policy for each “pollution condition” or “indoor environmental condition” resulting from “covered operations” to which this insurance applies.

**III. Solely with respect to the coverage afforded pursuant to this Supplemental Coverage, Section V., DEFINITIONS, Subsections M. and DD., of this Policy are hereby deleted in their entirety and replaced with the following:**

**M. “Emergency response costs”** means “first-party remediation costs” incurred within seven (7) days following the discovery of a “pollution condition” or “indoor environmental condition” by a “responsible person” in order to abate or respond to an imminent and substantial threat to human health or the environment arising out of:

1. A “pollution condition” or “indoor environmental condition” on, at, under or migrating from a “covered location”;
2. A “pollution condition” or “indoor environmental condition” resulting from “covered operations”;  
or
3. A “pollution condition” resulting from “transportation”,

provided such “emergency response costs” are reported to the Insurer within fourteen (14) days of when that “responsible person” first became aware of such “pollution condition” or “indoor environmental condition”.

**DD. “Loss”** means:

1. A monetary judgment, award or settlement of compensatory damages arising from “bodily injury”, “property damage” or “remediation costs”, including associated “extra damages” and “legal defense expense”;
2. “Emergency response costs” and associated “legal defense expense”; and
3. “Catastrophe management costs”.

**IV. Section V., DEFINITIONS, of this Policy is hereby amended by addition of the following:**

**“Covered operations”** means any operations specifically identified in the Application and any supporting documentation provided to the Insurer by the “first named insured” prior to the inception date identified in Item 2. of the Declarations to this Policy, which are performed by or on behalf of a “named insured” outside of the physical boundaries of a “covered location”.

**“Covered operations”** does not mean “transportation”.

**“Sewage Backup”** means the reverse flow of sewage via subsurface sewer lines, to or from a “covered location”, into or onto locations that are not “covered locations”, including, but not limited to, third party residences, businesses, or any other structures on land or into any soil, groundwater, surface water or air associated with such third party residences, businesses, or any other structures.

**V. Section V., DEFINITIONS, Subsections AA., PP. and TT., of this Policy are hereby deleted in their entirety and replaced with the following:**

**AA. “Insured”** means the “first named insured”, any “named insured”, any “additional insured” and any of the following:

1. If any “named insured” pursuant to this Policy is a Public Entity, the following entities are additional “insureds”:
  - a. A governmental agency or subdivision, department, municipal body, commission or board, or a not-for profit corporation which is owned or controlled by any “named insured”;

- b. An individual while acting in the capacity as a director of, officer of, trustee of, employee of, temporary or leased worker of, or staff member of, any “named insured”;
  - c. A volunteer, but solely while acting within the scope of such duties and at the direction of any “named insured”;
  - d. A paramedic or emergency technician, but solely while acting within the course and scope of employment or while acting as a volunteer pursuant to the direction of any “named insured”;
  - e. An elective or appointive officer or a member of any such commission, board or agency of any “named insured” but solely while acting within the scope of duties as such; or
  - f. A joint venture or partnership, including a mutual assistance pact, joint powers agreement or similar association, but only with respect to the conduct of the business of any “named insured” on behalf of that entity or association and only to the extent of such “named insured’s” participation or interest in that entity or association.
2. If the “named insured” is an Educational Entity, the following persons or entities are additional “insureds”, individually and collectively, when acting solely within the scope of their duties, office, or employment for, and pursuant to the supervision of, any “named insured”:
- a. Members of the School Board;
  - b. Officers;
  - c. Employees;
  - d. Temporary or Leased Workers;
  - e. Authorized individual volunteers; or
  - f. Student Body Organizations pursuant to the jurisdiction of the governing board, but only while pursuant to the supervision required by the governing board.

**PP. “Responsible person”** means any employee of an “insured” responsible for environmental affairs, control, or compliance at a “covered location”, or any “key executive” of, officer or director of, partner in, or elected official of, an “insured”.

**TT. “Transportation”** means:

- 1. The movement of an “insured’s” waste, materials, goods or products to or from a “covered location” by automobile, aircraft, watercraft, railcar or other conveyance, including any associated loading or unloading thereof, by an “insured”, or any third-party vendor engaged by an “insured” in the business of transporting property for hire, provided that any such movement, and associated loading and unloading activities, are performed beyond the boundaries of a “covered location”; and
- 2. Automobile livery services conducted by or on behalf of an “insured”.

**VI. Solely with respect to the coverage afforded pursuant to the Supplemental Coverage in this Endorsement, Section VI., EXCLUSIONS, Subsection M., Material Change in Risk, of this Policy is hereby deleted in its entirety and replaced with the following:**

**N. Material Change in Risk**

“Loss” arising out of or related to a change in “covered operations” that materially increases the likelihood or severity of a “pollution condition”, “indoor environmental condition”, “claim” or “first-party claim” from the operations identified by the “first named insured” for the Insurer an Application or supplemental underwriting materials provided prior to the effective date of coverage for such “covered operations”, if any.

This exclusion shall only apply to the changed operations and shall not limit coverage for other “covered operations” to which this insurance applies.

VII. Section VI., **EXCLUSIONS**, of this Policy is hereby amended by addition of the following:

**Failure to Follow Asbestos and/or Lead-Based Paint Management Plans**

“Loss” arising out of or related to the presence of lead-based paint, asbestos or asbestos containing material and an “insured’s” failure to properly maintain or manage any building or structure situated on the “covered locations”, or any system, fixture or personal property contained therein, in conformance with the asbestos management plans and lead-based paint management plans provided to the Insurer prior to the inception date identified in Item 2. of the Declarations to this Policy, or any asbestos management plans and lead-based paint management plans approved, in writing, by the Insurer during the “policy period”.

**Failure to Follow Fungi and/or Legionella Management Plans**

“Loss” arising out of or related to an “indoor environmental condition” and an “insured’s” failure to properly maintain or manage any building or structure situated on the “covered locations”, or any system, fixture or personal property contained therein, in conformance with the water intrusion plans, and “fungi” or *legionella pneumophila* management plans, provided to the Insurer prior to the inception date identified in Item 2. of the Declarations to this Policy, or any water intrusion plans, and “fungi” or *legionella pneumophila* management plans, approved, in writing, by the Insurer during the “policy period”.

**Landfills or Recycling Facilities**

“Loss” arising out of or related to “pollution conditions” on, at or under any Landfills or Recycling Facilities that are now, or have been at any time been, leased, owned or operated by an “insured”.

This exclusion shall not apply to “claims” for “bodily injury” or “property damage” arising out of “pollution conditions” allegedly migrating from Landfills or Recycling Facilities that are specifically scheduled as “covered locations” pursuant to an endorsement attached to this Policy.

**Professional Liability**

“Loss” arising out of or related to the rendering of or failure to render professional services, including, but not limited to, recommendations, opinions, and strategies rendered for architectural, consulting, design and engineering work, such as drawings, designs, maps, reports, surveys, change orders, plan specifications, assessment work, remedy selection, site maintenance, equipment selection, and related construction management, supervisory, inspection or engineering services.

**Regulatory Compliance**

“Loss” arising out of or related to an “insured’s” failure to comply with applicable Federal, state, or local regulations governing compliance with respect to any a covered “underground storage tank”.

This exclusion shall not apply to any such non-compliance that occurs subsequent to release from a covered “underground storage tank”.

**Sewage Backup**

“Loss” arising out of or related to “pollution conditions” or “indoor environmental conditions” resulting from, in whole or in part, a “sewage backup”.

**Work Product**

“Loss” arising out of or related to work or operations performed by you or on your behalf, unless such work or operations are “covered operations”.

**VIII.** Section **VII., REPORTING AND COOPERATION**, Subsection **A.**, Paragraph **2.**, of this Policy is hereby deleted in its entirety and replaced with the following:

- 2.** The identity of the “covered location” or a detailed description of the “covered operations”;

**IX.** Section **IX., GENERAL CONDITIONS**, Subsection **A., Cancellation**, Paragraph **2.**, of this Policy is hereby amended by addition of the following:

- c.** Material change in the “covered operations” from the description identified in the Application to this Policy and supporting materials, which results in an increased likelihood of “claims”, “first-party claims”, “pollution conditions” or “indoor environmental conditions”,

All other terms and conditions of this Policy remain unchanged.

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Authorized Representative