



CHUBB GROUP OF INSURANCE COMPANIES

Embarcadero Center West, 275 Battery Street, Suite 1200
San Francisco, CA 94111

Telephone (800) 939-9850
Facsimile (800) 344-4184

September 29, 2014

Fort Ord Reuse Authority
In care of Marsh Risk And Insurance Services
Licensed Producer:
c/o: Ed Morales
345 California St.#1300
San Francisco, CA 94104-4509

Subject: Fort Ord Reuse Authority

Policy Type	Policy Number	Effective Date	Underwriting Company
ENV ELI	TBD	12/31/2014	Chubb Custom Insurance Company
Control Number	0011351545		

Dear Ed:

Attached please find the Quote Letter for Fort Ord Reuse Authority. This quote is valid for 30 days from today.

Note the underwriting company in which this quote is being offered. All insurers of the Chubb Group of Insurance Companies share the same financial ratings.

“Terrorism” refers to terrorism losses covered by the Terrorism Risk Insurance Act of the United States of America (15 USC 6701 note). Please refer to the Important Notice to Policyholders which outlines both the Federal Government’s and the Insurance Company’s obligation of payment under the Terrorism Risk Insurance Act.

Note: If the terrorism coverage is purchased, the premium will be in addition to the bindable premium indicated for each option. If the insured does not want to purchase the coverage, please have them sign and send the attached form back to my attention.

This proposal does not apply to the extent that trade or economic sanctions or other laws or regulations prohibit us from offering or providing insurance. To the extent any such prohibitions apply, this proposal is void ab initio.

This information is intended for producers that are properly licensed and authorized in at least one of the writing companies that comprise the Chubb Group of Insurance Companies (Chubb). If you are not a licensed and authorized Chubb producer, please direct this communication to the person in your office that holds such designations and contact Chubb to update the contact information for this policy.

This premium indication letter outlines the extent of coverage we will provide on this risk. The precise coverage afforded is subject to the terms, conditions and exclusions of the policies as

issued. Please notice that these conditions are not necessarily in compliance with conditions requested in your submission. We will not be obligated to provide coverage not addressed in this premium indication even though they may have been requested in your submission. Chubb Environmental reserves the right to modify coverage grants based upon receipt and satisfactory underwriting review of any environmental reports or loss control survey. This indication is not a binder.

Note: If the policy is issued using Chubb Custom Insurance Company:

1. any surplus line taxes and fees are in addition to the premium above and are the responsibility of the broker.
2. we must receive the attached Statement of Producer, completed and returned at time of binding. This is needed to record the Home State of the named insured due to the Nonadmitted and Reinsurance Reform Act.

Chubb Custom Insurance Company is a nonadmitted insurance company in the insured's domicile state. Therefore, it is your responsibility to follow all applicable surplus lines laws. *Terms, conditions and premium pricing are attached.*

THIS QUOTATION IS ISSUED IN RELIANCE OF THE FACT THAT YOU OR YOUR CORRESPONDENT HAVE A SURPLUS LINES LICENSE IN THE HOME STATE OF THE POLICYHOLDER AS DEFINED BY THE NONADMITTED AND REINSURANCE REFORM ACT.

Please call us with any questions or comments. We will be happy to discuss this program with you in further detail. We look forward to hearing from you soon.

Sincerely,

Thomas R Collins
Environmental Underwriter
Chubb Environmental Solutions Group
415.237.6421



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September 29, 2014

Ed Morales
Marsh Risk And Insurance Services
345 California St.#1300
San Francisco, CA 94104-4509

Subject: Fort Ord Reuse Authority

Policy Number **Effective Date**
TBD 12/31/2014

Underwriting Company
Chubb Custom Insurance Company

Dear Ed:

Enclosed please find our quote or binder for the captioned insured.

Please note that the Nonadmitted and Reinsurance Reform Act (the "NRRA") requires the determination of the policy's Home State, as defined in the NRRA. In order for us to proceed with this transaction, and to assure our compliance with the NRRA and any Home State regulatory requirements, you must identify the Home State of this policy *and return this form to us as soon as possible*:

Home State: _____

1. If the Home State is the same as your Licensing State, please provide your Surplus Lines License Number for record-keeping purposes:

Surplus Lines License Number: _____

2. If the Home State differs from your Licensing State, we are obligated to know which Surplus Line Licensee in the Home State will fulfill the Affidavit requirements and remit the proper Surplus Line tax to that State.

Please complete and sign the STATEMENT OF PRODUCER section of this form on the next page of this letter *and return one copy to us at the address above* for our records.

Sincerely,

Thomas R Collins
Chubb Environmental Solutions Group
415.237.6421

Date:

Subject: Fort Ord Reuse Authority

Policy Number
TBD

Effective Date
12/31/2014

Underwriting Company
Chubb Custom Insurance Company

STATEMENT OF PRODUCER
(Do not complete if you are licensed in the Home State)

We have made arrangements for the Affidavit requirements and the payment of Surplus Line tax for the captioned policy to be accomplished by:

Agent's First/Last Name _____

Agency/Broker Name _____

Address _____

Surplus Lines License Number _____ State of Issue _____

E-mail Address _____

Phone Number _____ FEIN Number _____

Signature of Producer

Environmental Liability Insurance for:

Named Insured: Fort Ord Reuse Authority
920 2nd Avenue
Marina, California 93933

SECTION I	Program Coverage Quoted
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The following coverage and premium will apply:

<u>Coverage Sections and Coverage Description</u>		<u>Coverage Sections That Apply to Quote</u>
A	Pre-Existing Pollution Incidents At Insured Sites	Included
B	New Pollution Incidents At Insured Sites	Included
C	Mold Incidents At Insured Sites	Included
D	Non-Owned Disposal Sites Liability	Included
E	Off Site Insured Operations Liability	Not Applicable
F	Transported Cargo Liability	Included
G	Business Interruption At Insured Sites	Not Applicable

Policy Type: Environmental Liability Insurance Form (70-02-1400)

Policy Number: TBD

Policy Period: 12/31/2014 to 12/31/2024
12:01 A.M. standard time at the Named Insured's Mailing Address shown above

Writing Company: Chubb Custom Insurance Company

Delineation Date: Policy Inception

Retroactive Dates: Coverage C: (None) (Mold Retroactive Date).
(If Coverage Section Applies) Coverage D: (None) (Non-Owned Disposal Sites Retroactive Date).

Insured Site(s) Schedule*: Coverage A, B, and C, indicated above will apply to the following Insured Site(s):

1. See endorsement 70-02-1407

***Please note that Insured Site(s) and Off Site Insured Operation(s) must be scheduled on the policy for coverage to apply. Please notify carrier of any errors/changes to the above prior to binding. Any changes may affect the price quoted.**

SECTION II**Limits of Insurance and Coverages**

Policy Aggregate Limits and Policy Period Options:

Option	Policy Each Incident Limit / Policy Aggregate Limit	SIR	Premium
1.	\$25,000,000 / \$25,000,000	\$500,000	\$909,240
2.	\$25,000,000 / \$25,000,000	\$1,000,000	\$723,996
3.	\$50,000,000 / \$50,000,000	\$500,000	\$1,442,639
4.	\$50,000,000 / \$50,000,000	\$1,000,000	\$1,148,722

Included Coverage Aggregate Limits, Self Insured Retentions And Waiting Periods:

Coverages	Coverage Aggregate Limits	Self Insured Retentions And Waiting Periods (Each Environmental Incident)	Policy Period
Coverage A	\$50,000,000	Per option above	Policy Period Option Selected Above.
Coverage B	\$50,000,000	Per option above	Policy Period Option Selected Above.
Coverage C	\$50,000,000	Per option above	Policy Period Option Selected Above.
Coverage D	\$50,000,000	Per option above	Policy Period Option Selected Above.
Coverage F	\$50,000,000	Per option above	Policy Period Option Selected Above.

1. Defense is within the Limits of Liability.
2. Multi year policies apply with a single aggregate that is not reinstated annually.
3. An earned policy premium applies at policy inception.
4. The terrorism premium will be an additional 5% of the bindable premium indicated, if coverage is desired.
5. If the policy is issued using Chubb Custom Insurance Company, the broker is responsible for:
 - Any surplus lines taxes and fees in addition to the premium above.
 - Any applicable state surcharges.
6. For policies written using admitted writing companies, a portion of the premium may include estimated applicable state taxes and surcharges. The Insured is responsible for the total amount shown on the premium bill and/or premium summary.

Commission: 0%

SECTION III		SELECTED EXCLUSIONS, ENDORSEMENTS OR OTHER FORMS	
<i>Form Number</i>	<i>Form Name</i>		
70-02-1406	Schedule Of Named Insured:		
	Fort Ord Reuse Authority County of Monterey Marina Seaside Sand City Monterey Del Rey Oaks		
70-02-1407	Schedule Of Insured Sites:		
	All sites transferred to FORA under the FOST, FOSET, and ESCA agreements will be scheduled to the policy. Once provided, all the individual parcel numbers will be scheduled here and will be accompanied by a map.		
70-02-1445	Exclusion - Nuclear Energy:		
70-02-1447	Exclusion - Identified Contaminants At Insured Sites, Scheduled: <i>(please note, the below list of excluded identified contaminants is still under review by Chubb engineers and is subject to further revision prior to binding)</i>		
	Insured Parcels: All Parcels		
	Contaminants:		
	<ul style="list-style-type: none"> • Pollutants related groundwater impacts associated with any currently ongoing remediation. • Pollutants related to known groundwater impacts associated with OU-1 • Pollutants related to known groundwater impacts associated with OU-2 • Pollutants related to known groundwater impacts associated with Del Ray Oaks parcels • Pollutants related to known groundwater impacts associated with ESCA parcels • Pollutants related to known groundwater impacts associated with the Marina Equestrian Center Parcels • Pollutants related to known groundwater impacts associated with FOSET 2 parcels • Pollutants related to known groundwater impacts associated with FOST 6 parcels • Pollutants related to known groundwater impacts associated with Tract 0 parcels • Pollutants related to known groundwater impacts associated with UCSC parcels 		

	<ul style="list-style-type: none"> • Pollutants related to known groundwater impacts associated with IRP sites 2/12 • Issues Identified in the Golf Course Phase I • Pollutants in soil or groundwater related to any of the 17 solid waste management units located in tract 0 • Pollutants discovered during investigations undertaken as the result of “ARMYs right to conduct remediation activities” • Pollutants related to Category 5 parcels where cleanup is ongoing or where contamination that requires cleanup is known. • MRS-32C • Range 30A • Ranges 43-48 • Historic HWSF • Arising from pollution related to “Army Obligations” as defined in the ESCA • Arising from pollution in groundwater
70-02-1453	<p>Exclusion - Failure To Maintain Engineering Or Institutional Controls:</p> <p>Documents: All deed restrictions that apply to any of the insured sites including those used in the transfer of FOST and or any other parcel(s).</p>
70-02-1468	Exclusion – Asbestos, Silica Or Similar Compounds, Including Mixed Dust:
70-02-1473	Conditions - Cancellation, Including 100% Minimum Earned Premium After Three Years
70-02-1476	<p>Conditions - Notice Of Cancellation To Scheduled Persons Or Organizations–<i>indicate:</i></p> <p>Persons Or Organizations: Various Municipalities and FORA as applicable.</p> <p>Addresses: TBD</p>
70-02-1488	<p>Insured, Including Scheduled Person Or Organization:</p> <p>Additional Insureds TBD: as required by written contract or agreement executed prior to loss.</p>
70-02-1496	Exclusion Of Certified Acts Of Terrorism
70-02-1478	Conditions - Other Insurance - Excess Over Scheduled Indemnification Agreement, Unless Indemnitor Insolvent– <i>indicate:</i>

	<p>Indemnification Agreement: Former Fort Ord Pollution Legal Liability Select Clean-Up Cost Cap Policy #EPP 7782507</p> <p>Parties To Agreement: AIG and FORA</p> <p>Date Of Agreement: March 30, 2007</p>																		
70-02-1494	<p>Definitions - Clean Up Costs - Required By Environmental Laws – Excluding Scheduled Government Authorities:</p> <p>Scheduled Government Authorities:</p> <ul style="list-style-type: none"> • Fort Ord Reuse Authority • County of Montrey • Marina • Seaside • Sand City • Montrey • Del Rey Oaks 																		
70-02-1494	<p>Exclusion – Total Lead Based Paint:</p> <p>Coverage: All Coverages</p> <p>Site: All Sites</p>																		
70-02-1494	<p>Definition of Environmental Laws:</p>																		
70-02-1494	<p>Limits of Insurance – Scheduled Site Aggregate Limit: <i>(the aggregate limits shown below will be half of the values shown if Policy Aggregate Limit options 1. or 2. are chosen.)</i></p> <p>With respect to the insureds shown in the Schedule, under Limits Of Insurance, the following provision is added</p> <p>Subject to all other applicable limits set forth in this section of this contract, the most we will pay for the sum of all amounts described as reducing the Limits Of Insurance in the provision titled Payments That Reduce The Limits Of Insurance for the insured shown in the Schedule is the amount of the Scheduled Site Aggregate Limit shown in the Schedule next to the name of the insured.</p> <table border="1" data-bbox="430 1585 1425 1892"> <thead> <tr> <th><u>Named Insured</u></th> <th><u>Aggregate Limit</u></th> </tr> </thead> <tbody> <tr> <td>FORA</td> <td>\$20,000,000</td> </tr> <tr> <td>County of Montrey</td> <td>\$5,000,000</td> </tr> <tr> <td>Marina</td> <td>\$5,000,000</td> </tr> <tr> <td>Seaside</td> <td>\$5,000,000</td> </tr> <tr> <td>Sand City</td> <td>\$5,000,000</td> </tr> <tr> <td>City of Montrey</td> <td>\$5,000,000</td> </tr> <tr> <td>Del Rey Oaks</td> <td>\$5,000,000</td> </tr> <tr> <td></td> <td></td> </tr> </tbody> </table>	<u>Named Insured</u>	<u>Aggregate Limit</u>	FORA	\$20,000,000	County of Montrey	\$5,000,000	Marina	\$5,000,000	Seaside	\$5,000,000	Sand City	\$5,000,000	City of Montrey	\$5,000,000	Del Rey Oaks	\$5,000,000		
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70-02-1494	Definitions – Definition of Pollution Incident to include MEC
70-02-1494	Exclusions – Mold Incidents at Buildings Without Certificates of Occupancy

SECTION IV	Conditions
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The above premium indication is subject to the receipt and satisfactory review of the following, prior to binding, unless otherwise specified:

1. Receipt and satisfactory review of an **original, signed** application, *prior to binding coverage*.
2. A current balance sheet and audited financials of the insured for the past three years.
3. An engineering survey (at CES's expense) by a CES-acceptable firm may be performed in the upcoming policy period.
4. Receipt of the insured's response to the recommendations of the engineering survey requested by CES within sixty (60) days of receipt of such recommendations.
5. If this insurance is issued on Chubb Custom Insurance Company, in order to bind coverage, please complete and sign the attached STATEMENT OF PRODUCER section of this letter and forward a copy of it as well as a copy of your surplus lines license for our records. This is needed to record the Home State of the named insured due to the Nonadmitted and Reinsurance Reform Act.
6. **Please note, endorsement 70-02-1447 is not complete and is subject to further revision as the engineering information continues to be reviewed. The final "bindable" version of this endorsement may include additional identified contaminants or conditions that will be excluded.**

SECTION V	Additional Coverage Options Available For Purchase
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Surplus lines required amendments

The following forms will be attached to policies written using Chubb Custom Insurance Company (CCIC).

<i>Form Number</i>	<i>Title</i>
10-02-0013	California Service Of Suit

This Notice pertains to the following quotation issued by an insurer of the Chubb Group of Insurance Companies. If you have more than one Chubb policy, you will receive individual notice(s) for each policy to which the Terrorism Risk Insurance Act applies.

Mailing Date July 2, 2014
Insured Name Fort Ord Reuse Authority
Mailing Street Address 920 2nd Avenue
Mailing City, State, Zip Marina, California 93933

Policy Type	Policy Number	Effective Date	Underwriting Company
Liability	TBD	12/31/2014	Chubb Custom Insurance Company



IMPORTANT NOTICE TO POLICYHOLDER TERRORISM RISK INSURANCE ACT

You are hereby notified that pursuant to the Terrorism Risk Insurance Act (the "Act") effective December 26, 2007, we are making available to you insurance for losses arising out of certain acts of terrorism. Terrorism is defined as any act certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States Mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

You should know that the insurance provided by your policy for losses caused by acts of terrorism is partially reimbursed by the United States of America under the formula set forth in the Act. Under this formula, the United States of America pays 85% of covered terrorism losses that exceed the statutorily established deductible to be paid by the insurance company providing the insurance.

However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31), the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

The portion of your annual premium that is attributable to insurance for such acts of terrorism is: 5% Extra

This Notice pertains to the following quotation issued by an insurer of the Chubb Group of Insurance Companies. If you have more than one Chubb policy, you will receive individual notice(s) for each policy to which the Terrorism Risk Insurance Act applies.

Mailing Date July 2, 2014
Insured Name Fort Ord Reuse Authority
Mailing Street Address 920 2nd Avenue
Mailing City, State, Zip Marina, California 93933

Policy Type	Policy Number	Effective Date	Underwriting Company
Liability	TBD	12/31/2014	Chubb Custom Insurance Company

Under the Act, you have thirty (30) days from the date of this notice to consider whether or not you wish to maintain insurance for terrorism losses covered by the Act.

If you elect not to maintain this insurance, please so indicate by placing an “X” in the space provided on the next page, sign and return this disclosure notice to your agent or broker as soon as possible. By electing not to maintain this insurance, you agree that we may attach a terrorism exclusion or sublimits to your policy. If you do not sign and return this disclosure notice, you will be deemed to have decided to maintain this insurance, subject to the next paragraph.

If you elect to maintain this insurance, you must pay the premium disclosed above, otherwise we will avail ourselves of our normal remedies for nonpayment of premium, including cancellation of your policy in accordance with its terms

This Notice pertains to the following quotation issued by an insurer of the Chubb Group of Insurance Companies. If you have more than one Chubb policy, you will receive individual notice(s) for each policy to which the Terrorism Risk Insurance Act applies.

Mailing Date July 2, 2014
Insured Name Fort Ord Reuse Authority
Mailing Street Address 920 2nd Avenue
Mailing City, State, Zip Marina, California 93933

Policy Type	Policy Number	Effective Date	Underwriting Company
Liability	TBD	12/31/2014	Chubb Custom Insurance Company

Rejection of terrorism insurance:

I hereby reject terrorism insurance and elect to have a terrorism exclusion, sublimit or other limitation included in my policy. I understand that I will have no, or limited, coverage for losses arising from acts of terrorism.

Policyholder/Applicant's Name: _____

Policyholder/Applicant's Signature: _____

Date: _____

Environmental Liability Insurance

Endorsement

Policy Period To

Effective Date

Policy Number

Insured

Name of Company

Date Issued

This Endorsement applies to the following forms:

Environmental Liability Insurance

SPECIMEN

Declarations

The Named Insured shown in the Declarations is amended to include the **named insureds** shown in the Schedule.

SCHEDULE

Named Insureds:

All other terms and conditions remain unchanged.

Authorized Representative

Environmental Liability Insurance

Endorsement

Policy Period To

Effective Date

Policy Number

Insured

Name of Company

Date Issued

This Endorsement applies to the following forms:

Environmental Liability Insurance

Declarations

The Insured Sites shown in the Declarations is amended to include the **insured sites** shown in the Schedule.

SPECIMEN

SCHEDULE

Insured Sites And Addresses:

All other terms and conditions remain unchanged.

Authorized Representative

Environmental Liability Insurance

Endorsement

Policy Period To

Effective Date

Policy Number

Insured

Name of Company

Date Issued

This Endorsement applies to the following forms:

Environmental Liability Insurance

Exclusions

Nuclear Energy

Under Exclusions, the following exclusion is added.

With respect to all coverages under this contract, this insurance does not apply to any damages, loss, cost or expense:

- A. with respect to which any **insured** under this policy also has status as an insured (or is entitled to indemnity) under a nuclear energy liability policy issued by:
- or would have had status as an insured or would have been entitled to indemnity under any such policy but for its termination upon exhaustion of its limit of insurance.
1. American Nuclear Insurers, Mutual Atomic Energy Liability Underwriters, Nuclear Energy Liability Insurance Association, Nuclear Insurance Association of Canada or any of their antecedents or successors; or
 2. any similar insurer anywhere in the world;
- or would have had status as an insured or would have been entitled to indemnity under any such policy but for its termination upon exhaustion of its limit of insurance.
- B. arising out of the **nuclear hazardous properties of nuclear or radioactive material** and with respect to which any:
1. person or organization is required to maintain financial protection pursuant to the United States of America Atomic Energy Act of 1954 or any law amendatory thereof or any similar law in any jurisdiction; or
 2. **insured** is, or had this policy not been issued would be, entitled to indemnity from the United States of America or any agency thereof or any other governmental authority in any jurisdiction under any agreement entered into by such governmental authority with any person or organization.

Exclusions

Nuclear Energy (continued)

- C. arising out of the **nuclear hazardous properties** of **nuclear or radioactive material**:
1. if the **nuclear or radioactive material**:
 - a. is at any **nuclear facility** owned by, or operated by or on behalf of, any **insured**;
 - b. has been discharged or dispersed therefrom; or
 - c. is contained in **nuclear spent fuel** or **nuclear waste** at any time disposed of, handled, possessed, processed, stored, transported, treated or used by or on behalf of any **insured**; or
 2. in any way related to the furnishing by any **insured** of equipment, materials, parts or services in connection with the construction, maintenance, operation, planning or use of any **nuclear facility**.

But, if such facility is located within the United States of America (including its possessions or territories), this subparagraph C.2 applies only to **property damage** to such **nuclear facility** and any property thereat.

As used in connection with this exclusion, **property damage** includes all forms of radioactive contamination of property.

Under Definitions, the following definitions are added.

Definitions

Nuclear Facility

Nuclear facility means any:

- A. **nuclear reactor**;
- B. device or equipment designed or used for:
 1. handling, packaging or processing **nuclear waste**;
 2. processing or utilizing **nuclear spent fuel**; or
 3. separating the isotopes of plutonium or uranium;
- C. device or equipment used for the alloying, fabricating or processing of **nuclear or radioactive material**, if at any time the total amount of such material in the custody of the **insured** at the premises where such device or equipment is located consists of or contains more than:
 1. twenty five grams of plutonium or uranium 233 or any combination thereof; or
 2. two hundred fifty grams of uranium 235; or
- D. basin, excavation, place, premises or structure prepared or used for the disposal or storage of **nuclear 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.

Environmental Liability Insurance

Endorsement

Effective Date

Policy Number

Definitions

(continued)

Nuclear Hazardous Properties

Nuclear hazardous properties includes explosive, radioactive or toxic properties.

Nuclear Or Radioactive Material

Nuclear or radioactive material means any:

- by-product material, source material or special nuclear material; or
- other solid, liquid or gaseous substance that emits radiation;

including its presence or use in any alloy, by-product, compound or other material or **waste**.

As used herein by-product material, source material and special nuclear material have the meanings given them in the United States of America Atomic Energy Act of 1954 or in any law amendatory thereof or in any similar applicable law in any jurisdiction.

Nuclear Reactor

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.

Nuclear Spent Fuel

Nuclear spent fuel means any fuel element or fuel component, liquid or solid, that has been exposed to radiation or used in a **nuclear reactor**.

Nuclear Waste

Nuclear waste means any waste material:

- containing **nuclear or radioactive material**, other than the tailings or wastes produced by the concentration or extraction of thorium or uranium from any ore processed primarily for its source material content; and
- resulting from the operation by any person or organization of any **nuclear facility** described in subparagraphs A. or B. of the definition of **nuclear facility**.

As used herein, source material has the meaning given it in the United States of America Atomic Energy Act of 1954 or in any law amendatory thereof or in any similar applicable law in any jurisdiction.

All other terms and conditions remain unchanged.

Authorized Representative _____

Environmental Liability Insurance

Endorsement

Policy Period To

Effective Date

Policy Number

Insured

Name of Company

Date Issued

This Endorsement applies to the following forms:

Environmental Liability Insurance

Exclusions

**Identified Contaminants
At Insured Sites,
Scheduled**

Under Exclusions, the following exclusion is added.

With respect to all coverages under this contract, this insurance does not apply to any damages, loss, cost or expense arising out of any **pollutants** or **specific biological substances** (including their degradation products) shown in the Schedule at the **insured sites** shown in the Schedule.

SCHEDULE

Insured Sites:

Contaminants:

All other terms and conditions remain unchanged.

Authorized Representative _____

Environmental Liability Insurance

Endorsement

Policy Period To

Effective Date

Policy Number

Insured

Name of Company

Date Issued

This Endorsement applies to the following forms:

Environmental Liability Insurance

Exclusions

**Identified Contaminants
At Insured Sites,
Scheduled**

Under Exclusions, the following exclusion is added.

With respect to all coverages under this contract, this insurance does not apply to any damages, loss, cost or expense arising out of any **pollutants** or **specific biological substances** (including their degradation products) shown in the Schedule at the **insured sites** shown in the Schedule.

SPECIMEN

SCHEDULE

Insured Sites:

Contaminants:

All other terms and conditions remain unchanged.

Authorized Representative _____

Environmental Liability Insurance

Endorsement



Policy Period



To



Effective Date



Policy Number



Insured



Name of Company



Date Issued



This Endorsement applies to the following forms:

Environmental Liability Insurance

Under Exclusions the following exclusion is added.

Exclusions

Failure To Maintain Engineering Or Institutional Controls

With respect to all coverages under this contract, this insurance does not apply to any damages, loss, cost or expense arising out of any failure to maintain any engineering controls, institutional controls or deed restrictions at any **insured site** as specifically set forth in any:

- Remedial Action Plans, No Further Action documents, Covenant Not To Sue documents or similar regulatory decisions or response action documents from any applicable governmental authority or licensed site professional; or
- documents shown in the Schedule.

SCHEDULE

Documents:

All other terms and conditions remain unchanged.

Authorized Representative

Environmental Liability Insurance

Endorsement

Policy Period To

Effective Date

Policy Number

Insured

Name of Company

Date Issued

This Endorsement applies to the following forms:

Environmental Liability Insurance

Under Exclusions, the exclusion titled Asbestos is deleted and replaced by the following.

Exclusions

**Asbestos, Silica Or
Similar Compounds,
Including Mixed Dust**

- A. With respect to all coverages under this contract, this insurance does not apply to any damages, loss, cost or expense arising, in whole or in part, out of the actual, alleged or threatened contaminative, pathogenic, toxic or other hazardous properties of:
1. **asbestos;**
 2. **silica;** or
 3. **mixed dust.**
- B. With respect to all coverages under this contract, this insurance does not apply to any damages, loss, cost or expense arising, in whole or in part, out of any:
1. demand, order, request or regulatory or statutory requirement that any **insured** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess; or
 2. claim or proceeding by or on behalf of a governmental authority or others for any damages, loss, cost or expense because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing;
the effects of:
 - **asbestos;**
 - **silica;** or
 - **mixed dust.**

Under Definitions, the following definitions are added.

Definitions

Mixed Dust

Mixed dust means any combination or mixture of **asbestos** or **silica** and any other dust, fibers or particles, in any form, including any presence or use in any alloy, by-product, compound or other material or **waste**.

Silica

Silica means silica in any form (including silicates or other similar silicon compounds), including its presence or use in any alloy, by-product, compound or other material or **waste**.

All other terms and conditions remain unchanged.

Authorized Representative

SPECIMEN

Environmental Liability Insurance

Endorsement

Policy Period To

Effective Date

Policy Number

Insured

Name of Company

Date Issued

This Endorsement applies to the following forms:

Environmental Liability Insurance

Conditions

Cancellation, Including 100% Minimum Earned Premium After Three Years

Under Conditions, the condition titled Cancellation is deleted and replaced by the following.

The **first named insured** may cancel this policy at any time by sending a written request to us or by returning this policy to us and stating when thereafter cancellation is to take effect.

We may cancel this policy for the following reasons:

- material misrepresentation by any **insured**;
- any **insured**'s material failure to comply with the terms or conditions of this policy, including failure to pay any premium when due; or
- any change in use or change in operations from the uses or operations disclosed to us by you in the **application** that materially increases a risk to which this insurance applies;

by sending to the **first named insured** a notice 60 days (20 days in the event of non-payment of premium) in advance of the cancellation date. Notice of cancellation will be mailed to the **first named insured**'s last known address and will indicate the date on which coverage is terminated. If notice of cancellation is mailed, proof of mailing will be sufficient proof of notice.

The premium will be earned as follows:

- 25 percent as of the first day of the **policy period**;
- 61 percent at the end of the first year of the **policy period**.
- 85 percent at the end of the second year of the **policy period**; and
- 100 percent earned at the end of the third year of the **policy period**.

Conditions

*Cancellation, Including
100% Minimum Earned
Premium After Three
Years
(continued)*

After the percentage set forth above for each year is earned, if the policy is cancelled in between years, earned premium will also include an additional premium computed on a pro rata basis.

Any unearned premium will be returned as soon as practicable.

All other terms and conditions remain unchanged.

Authorized Representative

SPECIMEN

Environmental Liability Insurance

Endorsement

Policy Period To

Effective Date

Policy Number

Insured

Name of Company

Date Issued

This Endorsement applies to the following forms:

Environmental Liability Insurance

Conditions

Notice Of Cancellation To Scheduled Persons Or Organizations When We Cancel

Under Conditions, the following condition is added.

When we cancel this policy we will notify the persons or organizations shown in the Schedule at least 60 days (20 days in the event of nonpayment of premium) in advance of the cancellation date.

Any failure by us to notify such persons or organizations will not:

- impose any liability or obligation of any kind upon us; or
- invalidate such cancellation.

SCHEDULE

Persons Or Organizations:

Addresses:

All other terms and conditions remain unchanged.

Authorized Representative

SPECIMEN

Environmental Liability Insurance

Endorsement

Policy Period To

Effective Date

Policy Number

Insured

Name of Company

Date Issued

This Endorsement applies to the following forms:

Environmental Liability Insurance

Under Definitions, the definition titled Insured is deleted and replaced by the following.

Definitions

Insured, Including Scheduled Person or Organization

Insured:

A. means:

1. **named insureds.**
2. your directors, officers, partners, managers (if you are a limited liability company) or members (if you are a partnership, joint venture or limited liability company).
3. your **employees** while acting within the scope of their employment by you or while performing duties related to the conduct of your business.

B. with respect to Coverage E – Off Site Insured Operations Liability, includes a person or organization that is your client, but only if you are obligated pursuant to a written contract or agreement to provide them with such insurance as is afforded by this policy. However, such a person or organization is an **insured** only:

1. to the extent such contract or agreement requires the person or organization to be afforded status as an **insured**;
2. for such activities that did not occur, in whole or in part, before the execution of the contract or agreement; and
3. with respect to their liability for damages, loss, cost or expense to which this insurance applies.

C. includes the person or organization shown in the Schedule but only with respect to such person or organization's liability arising out of the **named insured's** ownership, operation, maintenance or use of an **insured site**.

Definitions

*Insured, Including
Scheduled Person Or
Organization*

With respect to subparagraph B. above, no such person or organization is an **insured** with respect to any assumption of liability (of another person or organization) by them in a contract or agreement. This limitation does not apply to the liability for **damages for bodily injury or property damage or clean up costs or mold clean up costs**, to which this insurance applies, that the person or organization would have in the absence of such contract or agreement.

However, no person or organization is an **insured** with respect to the conduct of any person or organization that is not shown as a **Named Insured** in the Declarations.

SCHEDULE

Person Or Organization:

All other terms and conditions remain unchanged.

Authorized Representative

SPECIMEN

Environmental Liability Insurance

Endorsement

Policy Period To

Effective Date

Policy Number

Insured

Name of Company

Date Issued

This Endorsement applies to the following forms:

Environmental Liability Insurance

A new section titled Terrorism Provisions is added to the end of this contract.

Terrorism Provisions

Certified Act Of Terrorism Exclusion

This insurance does not apply to any damages, loss, cost or expense arising, directly or indirectly, out of a **certified act of terrorism**.

Application Of Other Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this policy.

A new section titled Terrorism Definitions is added.

Terrorism Definitions

Certified Act Of Terrorism

Certified act of terrorism means any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act:

- A. of terrorism, a violent act or an act that is dangerous to human life, property or infrastructure; and
- B. that results in damage:
 - 1. within the **United States**; or
 - 2. outside of the **United States** in the case of:
 - a. an air carrier or vessel as described in the **terrorism law**; or

Terrorism Definitions

Certified Act Of Terrorism (continued)

b. the premises of a mission of the United States of America, which was committed by an individual or individuals as part of an effort to:

- coerce the civilian population; or
- influence the policy or affect the conduct of the Government, of the **United States**.

Certified act of terrorism does not include an act that:

- is committed as part of the course of a war declared by the Congress of the **United States**; or
- does not result in property and casualty insurance losses that exceed \$5 million in the aggregate and are attributable to all types of insurance subject to the **terrorism law**.

State

State means any state of the United States of America, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, American Samoa, Guam, each of the United States Virgin Islands, and any territory or possession of the United States of America.

Terrorism Law

Terrorism law means the Terrorism Risk Insurance Act of 2002 (Pub.L.107-297) as amended by the Terrorism Risk Insurance Extension Act of 2005 (Pub.L.109-144) and the Terrorism Risk Insurance Program Reauthorization Act of 2007 (Pub.L.110-160).

United States

United States means:

- a **state**; and
- the territorial sea and the continental shelf of the United States of America, as described in the **terrorism law**.

All other terms and conditions remain unchanged.

Authorized Representative

Environmental Liability Insurance

Endorsement

Policy Period To

Effective Date

Policy Number

Insured

Name of Company

Date Issued

This Endorsement applies to the following forms:

Environmental Liability Insurance

Conditions

Other Insurance – Excess Over Scheduled Indemnification Agreement, Unless Indemnitor Insolvent

Under Conditions, the condition titled Other Insurance is deleted and replaced by the following.

If valid and collectible **other insurance** is available to any **insured** or other qualifying interest (under this insurance) for loss we would otherwise cover under this insurance, then our obligations are limited as follows.

Primary Insurance

This insurance is primary, except to the extent that the Excess Insurance provision described below applies.

Excess Insurance

A. This insurance is excess over:

1. any **other insurance** (whether primary, excess, contingent or on any other basis), including any other insurer's antecedent or replacement of this insurance or any such **other insurance**:
 - a. if the loss arises out of mold or specific biological substances.
 - b. if the loss arises out of aircraft, **autos**, rolling stock, **transported cargo** or watercraft.
 - c. if the loss arises out of any rendering of or failure to render any professional service, advice or instruction.
 - d. under which any **insured** or other qualifying interest (under this insurance) is included as an insured or other qualifying interest under such **other insurance**.

Conditions

*Other Insurance – Excess
Over Scheduled
Indemnification
Agreement, Unless
Indemnitor Insolvent
(continued)*

- e. that is effective on or after the beginning of any extended reporting period provided by us or by an affiliate of ours.
2. the indemnification agreement shown in the Schedule, if:
 - a. such agreement applies to the loss; and
 - b. the indemnitor under the indemnification agreement has not been declared insolvent by a court of competent jurisdiction.
- B. When this insurance is excess, we will:
 1. have no duty to defend any **insured** against any suit if any insurer that provides **other insurance** has a duty to defend such **insured** against such suit. If no other insurer defends, then we will undertake to do so; but we will be entitled to the **insured**'s rights against all those other insurers.
 2. pay only our share of the amount of loss, if any, that exceeds the sum of the total amounts:
 - a. that all **other insurance** would pay for loss in the absence of this insurance.
 - b. of all deductible, participation, retention and other self insured amounts (including any amounts allocated to and required to be paid by the **insured**) in connection with all **other insurance**.
- C. We will share by the method described in the Method Of Sharing provision below the remaining loss, if any, with any **other insurance** that is not described in this Excess Insurance provision and was not negotiated specifically to apply in excess of the Limits Of Insurance shown in the Declarations of this insurance.

Method Of Sharing

If all of the **other insurance** permits contribution by equal shares, then we will follow this method also. Under this method each insurer contributes equal amounts until it has paid its applicable limits of insurance or none of the loss remains, whichever comes first.

If any of the **other insurance** does not permit contribution by equal shares, then we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limits of insurance to the total applicable limits of insurance of all insurers.

Conditions
(continued)

SCHEDULE

Indemnification Agreement:

Parties To Agreement:

Date Of Agreement:

All other terms and conditions remain unchanged.

Authorized Representative

SPECIMEN

Environmental Liability Insurance

Endorsement

Policy Period To

Effective Date

Policy Number

Insured

Name of Company

Date Issued

This Endorsement applies to the following forms:

Environmental Liability Insurance

Under Definitions, the definition titled Clean Up Costs is deleted and replaced by the following.

Definitions

Clean Up Costs – Required By Environmental Laws

Clean up costs:

- A. means reasonable and necessary costs for neutralization, removal, remediation (including related monitoring and testing) or disposal of **pollutants** or **specific biological substances** to the extent:
 - 1. required by a governmental authority pursuant to **environmental laws**;
 - 2. recommended by an **environmental professional** in the absence of applicable **environmental laws**; or
 - 3. incurred by a governmental authority.
- B. includes related:
 - 1. attorney and paralegal fees and expenses incurred with our consent;
 - 2. investigation costs, response costs and **restoration costs**; and
 - 3. civil fines, penalties or assessments.
- C. does not include any:
 - 1. costs, charges, expenses or fees for goods or services of any **insured**, unless incurred with our consent; or

Definitions

*Clean Up Costs –
Required By
Environmental Laws
(continued)*

2. **loss adjustment expenses.**

Government authority does not include any governmental authority listed in the Schedule.

Schedule

Governmental Authority:

Fort Ord Reuse Authority

County of Montrey

Marina

Seaside

Sand City

Montrey

Del Rey Oaks

All other terms and conditions remain unchanged.

Authorized Representative

Environmental Liability Insurance

Endorsement 

Policy Period  To 

Effective Date 

Policy Number 

Insured 

Name of Company 

Date Issued 

This Endorsement applies to the following forms:

Environmental Liability Insurance

With respect only to the Coverages and **insured sites** shown in the Schedule, the exclusion titled Lead Based Paint is deleted and replaced by the following.

Exclusions

Lead Based Paint – Total For Scheduled Coverages At Scheduled Sites

This insurance does not apply to any damages, loss, cost or expense arising out of any actual, alleged or threatened:

- contaminative, pathogenic, toxic or other hazardous properties of **lead based paint** in, on or emanating from any building, fixture or other structure.
 - demand, order, request or regulatory or statutory requirement that any **insured** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **lead based paint** in, on or emanating from any building, fixture or other structure.
 - claim or proceeding by or on behalf of a governmental authority or others for any damages, loss, cost or expense because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of **lead based paint** in, on or emanating from any building, fixture or other structure.
-

Exclusions
(continued)

SCHEDULE

Coverages: All Coverages

Insured Sites: All Sites

All other terms and conditions remain unchanged.

Authorized Representative

Environmental Liability Insurance

Endorsement

Policy Period To

Effective Date

Policy Number

Insured

Name of Company

Date Issued

This Endorsement applies to the following forms:

Environmental Liability Insurance

Under Definitions, the definition of Environmental Laws is deleted and replaced with the following.

Environmental Laws

Environmental laws means governmental laws, rules, regulations, ordinances, guidance documents and executive, judicial or administrative orders and directives applicable to an **environmental incident**.

All other terms and conditions remain unchanged.

Authorized Representative

Environmental Liability Insurance

Endorsement

Policy Period To

Effective Date

Policy Number

Insured

Name of Company

Date Issued

This Endorsement applies to the following forms:

Environmental Liability Insurance

With respect to the **insureds** shown in the Schedule, under Limits Of Insurance, the following provision is added.

Limits Of Insurance

Scheduled Site Aggregate Limit

Subject to all other applicable limits set forth in this section of this contract, the most we will pay for the sum of all amounts described as reducing the Limits Of Insurance in the provision titled Payments That Reduce The Limits Of Insurance for the **insured** shown in the Schedule is the amount of the Scheduled Site Aggregate Limit shown in the Schedule next to the name of the **insured**.

This Scheduled Site Aggregate Limit is part of, not in addition to, any other applicable Limit Of Insurance.

Any such sum we pay will reduce the amount of the Schedule Site Aggregate Limit and any other applicable limit. The remaining amount of any such limit is the most that will be available for any other payment.

If any other applicable limit has been reduced to an amount that is less than this Scheduled Site Aggregate Limit, then the remaining amount of such other applicable limit is the most that will be available for any other payment.

Limits Of Insurance
(continued)

SCHEDULE

<u>Named Insured</u>	<u>Aggregate Limit</u>
FORA	\$20,000,000
County of Monterey	\$5,000,000
Marina	\$5,000,000
Seaside	\$5,000,000
Sand City	\$5,000,000
City of Monterey	\$5,000,000
Del Rey Oaks	\$5,000,000

All other terms and conditions remain unchanged.

Authorized Representative

Environmental Liability Insurance

Endorsement [REDACTED]

Policy Period [REDACTED]

To [REDACTED]

Effective Date [REDACTED]

Policy Number [REDACTED]

Insured [REDACTED]

Name of Company [REDACTED]

Date Issued [REDACTED]

This Endorsement applies to the following forms:

Environmental Liability Insurance

Under Definitions, the definition of Pollution Incident is deleted and replaced with the following.

Pollution Incident

Pollution incident means a discharge, dispersal, seepage, migration, release or escape of:

- **pollutants;** or
- **specific biological substances;**

into or upon land, a structure on land, the atmosphere or groundwater, a watercourse or other body of water.

Pollution incident includes the presence of **munitions and explosives of concern**.

Under Definitions, the following definition is added.

Munitions And Explosives Of Concern

Munitions and explosives of concern means any:

- unexploded ordinance;
- discarded military munitions; or
- munitions constituents.

As used herein discarded military munitions and munitions constituents have the meanings given them in 10 U.S.C. Section 2710 or in any law amendatory thereof and unexploded ordinance has the meaning given it in 10 U.S.C. Section 101 (e)(5) or in any law amendatory thereof.

All other terms and conditions remain unchanged.

Authorized Representative

Environmental Liability Insurance

Endorsement 

Policy Period  To 

Effective Date 

Policy Number 

Insured 

Name of Company 

Date Issued 

This Endorsement applies to the following forms:

Environmental Liability Insurance

Under Exclusions, the following exclusion is added.

*Mold Incidents At
Buildings Without
Certificates of Occupancy*

This insurance does not apply to any damages, loss, cost or expenses arising out of any **mold incident** at any building or structure on any **insured site** that does not have a certificate of occupancy as of the date such **mold incident** is first discovered in whole or in part.

All other terms and conditions remain unchanged.

Authorized Representative
