

APPROVING SITING AGREEMENT BETWEEN CITY OF MOSINEE, TOWN OF KNOWLTON, COUNTY OF MARATHON, AND AHLSTROM-MUNKSJO NA SPECIALITY SOLUTIONS, LLC

WHEREAS, Ahlstrom-Munksjo NA Specialty Solutions, LLC., (hereinafter Ahlstrom-Munksjo) desires to expand its landfill (hereinafter "the Solid Waste Facility") in the City of Mosinee (hereinafter "the City"); and

WHEREAS, on June 20, 2016, Expera Specialty Solutions, LLC., (the predecessor to Ahlstrom-Munksjo) submitted a written request to the City, Town of Knowlton (hereinafter "the Town") and the County of Marathon pursuant to Wis. Stat. § 289.22(1m) notifying each that Expera intended to expand its existing landfill and asking each municipality to specify all the applicable local approvals that might apply to the expansion; and

WHEREAS, pursuant to Wis. Stat. § 289.33(6), an "affected municipality" may only participate in the negotiation and arbitration process governing landfill expansions if the governing body of the affected municipality adopts a siting resolution and appoints members to the Local Siting Committee within sixty days of receiving the written request asking the municipality to identify all applicable local approvals; and

WHEREAS, on August 18, 2016, Marathon County timely passed such a siting resolution, pursuant to Resolution #R-41-16, in order to participate with the City and the Town in the negotiation and arbitration process and appointed Meleesa Johnson, Director-Marathon County Solid Waste Dept. and Rebecca Frisch, Director-Marathon County Conservation Planning and Zoning Dept., to serve as its members to the Local Siting Committee; and

WHEREAS, pursuant to Wis. Stat. § 289.33, Ahlstrom-Munksjo and the Local Siting Committee have completed negotiation of an agreement establishing terms and conditions related to the expansion of the Solid Waste Facility; and

WHEREAS, a copy of the full agreement is available for review at the offices of Marathon County Conservation Planning and Zoning Dept. , 210 River Dr., Wausau, 54403, during regular office hours, and is also available at the following link: <https://bit.ly/2Xv4AsY> and is incorporated herein by reference as if set forth in full; and

WHEREAS, the Town Board approved execution of the agreement at a meeting held on February 25, 2019, and the City Council also approved execution of the agreement at a meeting held on February 26, 2019.

NOW, THEREFORE, BE IT RESOLVED, the Board of Supervisors of Marathon County hereby authorizes the County Administrator to execute the above-referenced "City of Mosinee, Town of Knowlton, County of Marathon, and Ahlstrom-Munksjo NA Specialty Solutions LLC Siting Agreement" on behalf of Marathon County as an affected municipality, pursuant to Wis. Stats. §289.33.

Respectfully submitted this 26th day of March, 2019.

ENVIRONMENTAL RESOURCES COMMITTEE

Dated this ____ day of _____, 2019

Kurt Gibbs – Marathon County Board Chair



February 20, 2019

VIA E-MAIL

Mr. Scott M. Corbett
Corporation Counsel
Marathon County Courthouse
411 East Wisconsin Avenue
Wausau, WI 54403

Mr. George J. Marek
Quarles & Brady LLP
500 Forest Street
Suite 2350
Milwaukee, WI 53202-4426

Mr. Mark J. Steichen
Boardman Clark LLP
1 South Pinckney Street, Suite 410
P.O. Box 927
Madison, WI 53701-0927

Re: Ahlstrom-Munksjo NA Specialty Solutions, LLC Siting Agreement with
City of Mosinee, Town of Knowlton & Marathon County

Dear Gentlemen:

By this correspondence I wish to memorialize the Agreement amongst the parties to amend Article X, Section B, paragraph 3 entitled "Negotiating Expenses". The parties have agreed that, in the first sentence of said Section, the words "Twenty Thousand Dollars (\$20,000.00), consistent with the Wisconsin state statutes" shall be deleted and inserted will be "Thirty-Five Thousand Dollars (\$35,000.00)". In all other respects, the Siting Agreement has been approved. This language shall only amend this Section if the Town of Knowlton and City of Mosinee approve the Siting Agreement at their respective Board and Council meetings by March 1, 2019 and the County places on its agendas the approval of the Siting Agreement at its Environmental Resource Commission meeting for March 7, 2019 and the County Board meetings on March 21, 2019 with full County Board approval on March 26, 2019. If the conditions described are not met, the proposed deletion and insertion above will be void and the proposed deleted language will remain.

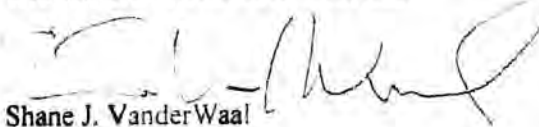
I would ask that each of you indicate your agreement with the above by signing on behalf of your clients below.

Mr. Scott M. Corbett
Mr. George J. Marek
Mr. Mark J. Steichen
February 20, 2019
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Thank you.

Sincerely,


DIETRICH VANDERWAAL, S.C.


Shane J. VanderWaal
SJV/llk


QUARLES & BRADY LLP
Attorneys for Ahlstrom-Munksjo NA
Specialty Solutions, LLC

By: 
George J. Marek

BOARDMAN CLARK LLP
Attorneys for City of Mosinee

By: 
Mark J. Steichen

MARATHON COUNTY


By: _____
Scott M. Corbett, Corporation Counsel

SITING AGREEMENT

BETWEEN

**THE CITY OF MOSINEE, TOWN OF KNOWLTON, COUNTY OF
MARATHON**

AND

**AHLSTROM-MUNKSJO NA SPECIALTY SOLUTIONS, LLC
MOSINEE MILL**

FOR

CELL 2 LANDFILL EXPANSION

FEBRUARY 2019

This Agreement is entered into this ____ day of _____, 2018, by and between the City of Mosinee (City), Town of Knowlton (Town), County of Marathon (County), and Ahlstrom-Munksjo NA Specialty Solutions LLC, a Wisconsin Corporation (Ahlstrom-Munksjo).

WHEREAS, Ahlstrom-Munksjo desires to now expand its landfill (the expanded landfill area shall be referred to herein as the “Solid Waste Facility” and the area of disposal shall be specifically referred to as the “Fill Area”). The Solid Waste Facility shall be used to dispose of Solid Waste Approved for Disposal from Ahlstrom-Munksjo’s Mosinee Facility and Rhinelander Facility;

WHEREAS, on June 20, 2016, Expera Specialty Solutions LLC (the predecessor to Ahlstrom-Munksjo) submitted a written request to the City of Mosinee, Town of Knowlton and the County of Marathon pursuant to Wis. Stat. § 289.22(1m) notifying each that Expera intended to expand its existing landfill and asking each municipality to specify all the applicable local approvals that might apply to the expansion;

WHEREAS, pursuant to Wis. Stat. § 289.33(6) an affected municipality may only participate in the negotiation and arbitration process governing landfill expansions if the governing body of the affected municipality adopts a siting resolution and appoints members to the local committee within sixty days of receiving the written request asking the municipality to identify all applicable local approvals;

WHEREAS, the City, Town and County each timely passed its siting resolution and appointed its members to the local committee;

WHEREAS, pursuant to Wis. Stat. § 289.33, Ahlstrom-Munksjo and the City, Town and County have negotiated certain components of an agreement relating to the Solid Waste Facility; and

WHEREAS, the parties wish to formalize those negotiated agreements as authorized by law.

NOW, THEREFORE, it is agreed by and between the parties hereto for and in consideration of the mutual promises herein, as follows:

DEFINITIONS

Ahlstrom-Munksjo means Ahlstrom-Munksjo NA Specialty Solutions, a corporation organized under the laws of the State of Delaware and registered as a Wisconsin corporation with the Wisconsin Department of Financial Institutions.

Beneficial Use means the reusing of industrial byproducts in compliance with all applicable state and federal regulations, including but not limited to the unearthing, excavating, removal, minor processing (such as moisture addition), and transporting of industrial byproducts from the Fill Area for uses beyond the Solid Waste Facility.

Bottom Ash means the material that drops out of the furnace gas stream in the furnace and in the economizer sections.

Certified Facility Manager means a person certified under Wisconsin Administrative Code NR 524 whose responsibility shall be to manage, control and administer the Solid Waste Facility and transportation to and from the Solid Waste Facility

Cisler Quarry means the quarry located at the NW¼ of the NW¼ of Section 5, Township 26 North, Range 7 East, City of Mosinee, Marathon County, Wisconsin, as shown in Appendix C.

City means the City of Mosinee.

City Clerk means the City of Mosinee Clerk.

Closure Plan means a DNR approved written report and engineering plans detailing those actions that shall be taken by Ahlstrom-Munksjo to effect proper closure of the Fill Area.

County means Marathon County.

County Clerk means the Marathon County Clerk.

Disposal Operations means operations directly related to the disposal of Solid Waste Approved for Disposal in the Fill Area at the Solid Waste Facility.

DNR means the Wisconsin Department of Natural Resources.

Emergency means an unforeseen circumstance at the Solid Waste Facility or in the transportation of Solid Waste to or from the Solid Waste Facility that jeopardizes the public health and safety.

Fill Area means the area proposed to receive or which is receiving direct application of Solid Waste Approved For Disposal and is approximately depicted on the site map which is attached hereto and incorporated herein by reference on Appendix A and is approximately 16.3 acres. The parties acknowledge that the Fill Area shown on Appendix A might change during the DNR permitting process, and as such the Fill Area as defined in this Agreement shall ultimately be the same Fill Area as provided for in the final Plan of Operation. Under no circumstances, however, shall the Fill Area be located outside of the Solid Waste Facility or be greater than the licensed landfill capacity.

Final Closure or Closure means the date at which time no further Solid Waste Approved For Disposal shall be transported to or from or disposed of by any person at the Fill Area which shall be the earlier date of any of the following: a) the date Ahlstrom-Munksjo notifies the parties in writing that it no longer will dispose of or no longer will allow disposal or removal for Beneficial Use of any further Solid Waste Approved For Disposal at the Solid Waste Facility; b) the date on which any order of the DNR directing Ahlstrom-Munksjo in writing to no longer dispose of or to no longer allow disposal of Solid Waste Approved For Disposal or removal for Beneficial Use of any further Solid Waste Approved For Disposal at

the Solid Waste Facility becomes effective after all appeals, if any, by Ahlstrom-Munksjo are exhausted; c) the date the Fill Area reaches the licensed capacity.

Fly Ash means the material that is carried out in the gas stream and collected by mechanical collectors, electrostatic precipitators, fabric filters, or any combination of the three.

Hazardous Substance means any solid waste identified as a hazardous substance under Wisconsin Statute § 289.01 (11).

Hazardous Waste means any solid waste identified as hazardous waste under Wis. Stat. § 291.01(7) or identified as hazardous waste by regulations adopted by the DNR in Chapter NR 661 of the Wisconsin Administrative Code or by the Environmental Protection Agency.

Local Approvals means any local approval as defined in Wis. Stat. § 289.33(3)(d).

Local Committee shall mean the committee made up of representatives from the City, Town and County that have been negotiating this Agreement with Ahlstrom-Munksjo and which was formed pursuant to Wis. Stat. § 289.33(7).

Long-Term Care means the routine care, maintenance and monitoring, as approved by DNR, of the Solid Waste Facility following Final Closure of the Fill Area.

Mosinee Facility means the Ahlstrom-Munksjo papermaking facility in Mosinee, Wisconsin.

Pulp or Paper Mill Residuals means solid or semi-solid waste generated from the industrial process of pulp or paper making.

Plan of Operation means a written report and any future amendments thereto submitted by Ahlstrom-Munksjo to and approved by the DNR pursuant to Chapter NR 514 of

the Wisconsin Administrative Code for the Solid Waste Facility that describes its location, design, construction, documentation, monitoring, sanitation, operation, maintenance, Closure and Long-Term Care.

Private Road means any current or future proprietary roads that run within the confines of the property owned by Ahlstrom-Munksjo from the Mosinee Facility to the Solid Waste Facility.

Rhineland Facility means the Ahlstrom-Munksjo papermaking facility in Rhineland, Wisconsin.

Rhineland Ash means Bottom Ash and Fly Ash from the Rhineland Facility.

Solid Waste means any garbage, ash, refuse, rubbish, sludge from a waste treatment plant, sludge from a water supply treatment plant or sludge from an air pollution control facility and other discarded or salvageable materials, including solid, liquid, semisolid, or contained gaseous materials resulting from industrial, commercial, mining, agricultural operations, and from community activities. Solid waste may include, but is not limited to, paper, wood, metal, glass, cloth and products thereof; litter and street rubbish; and lumber, concrete, dirt, stone, plastic, bricks, tar, asphalt, plaster, masonry and other debris resulting from the construction or the demolition of structures, buildings, roads and other manmade structures.

Solid Waste Approved For Disposal means ash and cinder residuals from the Mosinee Facility's power and heat generating systems, wastewater treatment plant sludge, lime mud/solids, lime kiln grits and dregs, wood waste, pulp and paper mill residuals, and onsite retention and onsite retention pond dredged materials from its Mosinee Facility.

Solid Waste Facility means the area contained within the perimeter boundaries of Ahlstrom-Munksjo's property and the boundaries of the landfill shown on Appendix A and which is approximately 33.253 acres.

Spill Law means Wisconsin's Hazardous Substance spill law, Section 292.11, Wisconsin Statutes.

Town means Town of Knowlton.

Town Clerk means the Town of Knowlton Clerk.

Well Driller means a licensed water well driller in the State of Wisconsin.

ARTICLE I

SCOPE OF THE AGREEMENT

This Agreement governs the activities of Ahlstrom-Munksjo, City, Town and County only insofar as they relate to the construction, operation, maintenance, closure and long-term care of the Cell 2 Solid Waste Facility. This Agreement does not affect nor do the parties contemplate that the Agreement affects or deals with or restricts in any manner any other activities of Ahlstrom-Munksjo, the City, County or Town.

Nothing in this Agreement is intended to address any expansion of the Solid Waste Facility or Fill Area other than the expansion referred to in this Agreement or the use of the roads, buildings, equipment storage area, sedimentation basin or other related items at the Solid Waste Facility in connection with any such further expansion.

ARTICLE II

TRANSPORTATION

A. Designated Roadways - Route of Travel.

All routes of travel from the onsite Solid Waste Approved For Disposal generation location to the Fill Area shall be on private roads. Beneficial use materials may be accepted to the Solid Waste Facility only using established truck routes.

During construction of the Solid Waste Facility, the City and Town shall allow Ahlstrom-Munksjo and its contractor to move material from the Cisler Quarry to the Solid Waste Facility using articulated dump trucks (such as a Caterpillar Model 740). Ahlstrom-Munksjo and its contractor will cross Bird Lane at only one location, as indicated in the figure at Appendix E, "Bird Lane Crossing between Milestone Materials Cisler Quarry and Ahlstrom-Munksjo NA Specialty Solutions LLC." Upon execution of this Agreement, Ahlstrom Munksjo will document the current condition of the unpaved portion of Bird Lane which will be crossed by Ahlstrom Munksjo and its contractor, and Ahlstrom-Munksjo shall maintain the crossing in that condition. Ahlstrom-Munksjo shall erect and maintain truck crossing signs as shown in Appendix E and shall monitor the condition of the crossing. If

deterioration such as ruts or unevenness occurs, Ahlstrom-Munksjo shall promptly repair that crossing. No other Town roads are authorized for articulated dump truck transportation.

During operation of the Solid Waste Facility, Bird Lane shall be used by Ahlstrom-Munksjo only for transporting material from the Cisler Quarry to the Solid Waste Facility. No other Town roads are authorized for transportation. The materials shall be transported using on-road dump trucks; articulated dump trucks shall not be used. The use of Bird Lane shall be from the Cisler Quarry to the Mosinee Facility property gate located on Bird Lane or to any easement that is established in the SW 1/4 of Section 32, Township 27 North, Range 7 East, City of Mosinee, Marathon County, Wisconsin.

Ahlstrom-Munksjo agrees to pay for any road damage resulting from the construction of the Solid Waste Facility or the transportation of Solid Waste to the Solid Waste Facility.

Materials from authorized sources as set forth in Article IV of this Agreement shall be transported to the Solid Waste Facility using only established truck routes. Established truck routes are State Highway 153 and/or Old Highway 51, and Depot Street. All such routes of transportation are also subject to any limitations posted by the County, City or Town.

ARTICLE III

NOTICES

A. Hazardous Substance Discharge.

During the term of the Agreement and for forty (40) years after Final Closure, Ahlstrom-Munksjo shall orally notify the City, County and Town within 24 (twenty-four) hours upon learning of any Hazardous Substance discharge related to the Solid Waste Facility if such discharge requires notification to the DNR under Spill Law. In such circumstance, Ahlstrom-Munksjo shall file a written report within thirty (30) days of its learning of the Hazardous Substance discharge with the City, County and Town Clerk describing the type, source and amount of Hazardous Substance discharged, the date of the occurrence if known and the suspected cause of the occurrence if known. Ahlstrom-Munksjo shall upon knowledge of any such reportable Hazardous Substance discharge comply with the Spill Law, in taking

actions necessary to restore the environment to the extent practicable, and minimize the harmful effects from the discharge.

Upon learning of any such spill occurring onto any public or private lands in the City, County or Town when Solid Waste Approved For Disposal is being transported to the Solid Waste Facility, Ahlstrom-Munksjo shall promptly remove such Solid Waste Approved For Disposal from the lands or take such other action as directed by the DNR.

B. Temporary/Emergency Closing of Solid Waste Facility.

Ahlstrom-Munksjo, during the term of this Agreement, shall notify in writing within thirty (30) days the City, County and Town Clerk of any Emergency closing and state or federal ordered temporary closing, state or federal ordered Emergency closing or ordered Final Closure by the DNR or any other state or federal agency. Ahlstrom-Munksjo shall provide in the written notice the specific reasons for the ordered temporary or Emergency closing or the Final Closure.

C. Hazards Notice.

Ahlstrom-Munksjo, during the term of this Agreement and for forty (40) years after Final Closure, shall orally notify the Marathon County Emergency Response system Clerk within twenty-four (24) hours of receipt of information by Ahlstrom-Munksjo of the following hazards or occurrences at the Solid Waste Facility: fires, explosions, contaminated or polluted surface water, contaminated or polluted groundwater or other imminent hazards to the public health or safety or to the environment. Ahlstrom-Munksjo shall file a written report within thirty (30) days of the receipt of information regarding the above-noted hazards or occurrences to the City, County and Town Clerk describing in detail the specific hazard or occurrence, any known damages to persons or property, and any actions taken or to be taken by Ahlstrom-Munksjo as allowed by law.

ARTICLE IV

AUTHORIZED SOURCES

Ahlstrom-Munksjo, during the term of this Agreement, shall only dispose of or allow disposal at the Fill Area of the following:

- A. Solid Waste Approved For Disposal from the Mosinee Facility.
- B. Solid Waste that consists of the same materials as Solid Waste Approved For Disposal, from sources other than the Mosinee Facility, and as authorized by the DNR, City, County and Town.
- C. Beneficial use materials as allowed by the State of Wisconsin
- D. Rhinelander Ash as long as the Mosinee Facility is in operation.

ARTICLE V

OPERATIONS AT THE SOLID WASTE FACILITY

A. Reports.

1. Reports Distributed by Ahlstrom-Munksjo.

During the term of this Agreement, Ahlstrom-Munksjo shall provide to the City Clerk copies within thirty (30) days of submittal of DNR Inspection Reports of the Solid Waste Facility, Solid Waste Facility Plan of Operation Modifications, and results from the monitoring of wells conducted by Ahlstrom-Munksjo near the Solid Waste Facility. An electronic copy shall be provided to the City Clerk. The City shall act as a repository for the available information and allow the Town and County to view the information.

Ahlstrom-Munksjo shall submit quarterly to the City Clerk a list of reports that Ahlstrom-Munksjo has submitted to the DNR. Ahlstrom-Munksjo shall supply copies of reports requested by the City, Town and County within 10 business days of the request of reports.

2. Test Reports.

The City Clerk, during the term of this Agreement and for forty (40) years after Final Closure, shall receive copies within thirty (30) days of receipt by Ahlstrom-Munksjo of all private well test analysis reports. An electronic copy shall be provided to the City Clerk. The

City shall act as a repository for the available information and allow the Town and County to view the information.

3. Request for Response

At any time after starting Disposal Operations at the Solid Waste Facility, Ahlstrom-Munksjo or an Ahlstrom-Munksjo representative shall, upon reasonable request by the City, Town or County, answer questions about any report provided to the City, Town or County. After receiving a copy of the answer to questions, the City, Town or County can reasonably request Ahlstrom-Munksjo or an Ahlstrom-Munksjo representative to attend a City council, Town board meeting or County meeting to review the summary and answer to questions.

B. Hours and Days of Operation.

1. Normal Hours and Days of Operation.

Hours of operation shall be minimized when possible during the following holidays; however, Ahlstrom-Munksjo's business is a 24-hour operation and access to the Solid Waste Facility 24 hours per day, seven days per week is necessary for Disposal Operations as Solid Waste Approved For Disposal cannot be stockpiled outside of the Fill Area. The holidays to which Ahlstrom-Munksjo will utilize its best efforts to minimize audible back up alarms are:

- a) Christmas Day,
- b) Easter,
- c) Thanksgiving,
- d) Labor Day,
- e) New Year's Day,
- f) Memorial Day, and
- g) July 4th

Ahlstrom-Munksjo shall utilize alternative technologies to eliminate the use of audible back up alarms between the hours of 7:00 p.m. and 6:30 a.m. on standard equipment. If equipment containing alternative technologies is not available for any reason, the equipment containing back-up alarms shall be utilized. The equipment containing alternative technologies shall be placed back in service in a timely manner as possible.

2. Emergency Hours.

Ahlstrom-Munksjo shall be allowed to conduct any activities at the Solid Waste Facility at any time should any Emergency occur at or near the Solid Waste Facility for the limited purpose of protecting the public health, welfare or safety of persons and protecting property or natural resources at or near the Solid Waste Facility.

C. Miscellaneous Operational Controls.

1. Dust and Debris.

Ahlstrom-Munksjo during the term of this Agreement and for forty (40) years after Final Closure, shall take appropriate measures to reasonably control the blowing of dust and debris from the Solid Waste Facility and to reasonably control the airborne discharge of other materials from the Solid Waste Facility onto properties not owned by Ahlstrom-Munksjo. Ahlstrom-Munksjo shall follow the Fugitive Dust requirement of the Mosinee Facility Title V Air Permit.

2. Fire.

Ahlstrom-Munksjo during the term of this Agreement and for forty (40) years after Final Closure, shall construct, operate, maintain, close and provide Long-Term Care at the Solid Waste Facility as required by local, state and federal regulations to minimize fire hazards.

3. Public Nuisance.

Ahlstrom-Munksjo shall take action to minimize public nuisance related to the landfill. Ahlstrom-Munksjo shall install alternative technology to eliminate back-up alarm noise.

D. Site Security.

During the term of this Agreement and for forty (40) years after Final Closure, Ahlstrom-Munksjo shall implement appropriate security measures at the Solid Waste Facility for the safety of the public.

E. Location - Fill Area.

Ahlstrom-Munksjo, during the term of this Agreement and for forty (40) years after Final Closure, shall keep the Fill Area at least two hundred (200) feet from adjacent property and as set forth on Appendix A.

F. Invasive and Noxious Plants.

Ahlstrom-Munksjo shall comply with all applicable Wisconsin regulations regarding noxious and invasive plants.

G. Repair, Maintenance and Reconstruction of Solid Waste Facility.

Ahlstrom-Munksjo, during the term of this Agreement and for forty (40) years after Final Closure, shall maintain, repair or reconstruct the Solid Waste Facility and, if necessary, close the Solid Waste Facility for disposal operations, upon information received by Ahlstrom-Munksjo, that the failure to maintain, repair or reconstruct the Solid Waste Facility or that the failure to close the Solid Waste Facility for disposal operations, would present a danger to the public health, safety or welfare of any persons or would cause damage to the natural resources within the City and Town.

H. Hazardous Waste.

1. Ahlstrom-Munksjo, during the term of this Agreement and for forty (40) years after Final Closure: 1) shall not knowingly transport Hazardous Waste to the Solid Waste Facility and shall not knowingly accept, store, receive or handle any known Hazardous Waste at the Solid Waste Facility without first obtaining a Hazardous Waste permit or license, and 2) shall not apply to the DNR or any other state or federal agency for a Hazardous Waste permit or Hazardous Waste license that would allow for Hazardous Waste storage, treatment or disposal at the Solid Waste Facility, unless written approval is received from the City, County and Town.

2. Article IV of this Agreement designates the materials that may be disposed of at the Fill Area. Those materials include: (1) Solid Waste Approved For Disposal from the Mosinee Facility and (2) Rhinelander Ash as long as the Mosinee Facility is in operation. The City, Town, County and Ahlstrom-Munksjo hereby agree that notwithstanding the provisions of the preceding paragraph Article V.H.1, during the term of this Agreement if: (1) Solid

Waste Approved For Disposal from the Mosinee Facility and/or (2) Rhinelander Ash is designated a Hazardous Waste by the DNR or the Environmental Protection Agency, Ahlstrom-Munksjo shall be allowed to transport, accept, store, receive, and handle such materials at the Solid Waste Facility, and dispose of such materials at the Fill Area, subject to Ahlstrom-Munksjo's first obtaining any applicable Hazardous Waste permit or Hazardous Waste license from the DNR or Environmental Protection Agency.

I. Emergency Preparedness Plan.

Ahlstrom-Munksjo, during the term of this Agreement and for forty (40) years after Final Closure, shall develop, amend, update and maintain an Emergency Preparedness Plan ("Plan") for the Solid Waste Facility. The initial Plan shall be completed by Ahlstrom-Munksjo and shall be provided to the City, Mosinee Fire District, Town Clerk and the Emergency Management Office of the County in writing at least one (1) month prior to Ahlstrom-Munksjo starting Solid Waste Approved For Disposal Disposal Operations at the Solid Waste Facility. This Plan shall be revised and updated every ten (10) years, unless disposal operations have not occurred at the site during such ten (10) year period. Copies of any revised Plan shall be provided to the City, Mosinee Fire District, Town Clerk and the Emergency Management Office of the County within two (2) weeks of completion.

The Plan shall note the generic hazards at the Solid Waste Facility which shall include specifically the potential for the following occurrences: 1) fires and explosions during the construction, disposal operations, maintenance, Closure and Long-Term Care at the Solid Waste Facility; and 2) discharges of Hazardous Substances from the Solid Waste Facility requiring notification to the DNR under the Spill Law.

J. Certified Facility Staff.

1. During Disposal Operations.

Ahlstrom-Munksjo, during the term of this Agreement, shall comply with the requirements of State of Wisconsin landfill regulations with regards to certified site operator or manager at the Solid Waste Facility.

2. "On Call".

Ahlstrom-Munksjo, during the term of this Agreement, shall have a certified site operator “on call” who possesses the knowledge as required by State of Wisconsin landfill regulations to respond to Emergencies whenever Disposal Operations are not occurring at the Solid Waste Facility or whenever the Solid Waste Facility is closed.

3. Certified Facility Manager.

Ahlstrom-Munksjo, during the term of this Agreement and for forty (40) years after Final Closure shall have a Certified Facility Manager as required by state and federal code to oversee operations.

4. Contact Information

Ahlstrom-Munksjo shall provide in writing the name, e-mail address and telephone number of each certified site operator or manager to the City Clerk and Town Clerk upon request.

K. Other Uses or Accessory Uses.

This Agreement is understood to authorize Ahlstrom-Munksjo at the Solid Waste Facility to conduct Disposal Operations and Beneficial Use of Solid Waste Approved For Disposal, as well as such other ancillary activities necessary to operate the Solid Waste Facility and conduct Beneficial Use. Nothing in this Agreement shall prohibit Ahlstrom-Munksjo from seeking whatever approvals may be required from the City, the Town and/or the County to operate other facilities or conduct other activities at the Solid Waste Facility, other than the prohibition against handling or disposing of Hazardous Waste as set forth at Article V, Section H of this Agreement.

L. Laws.

Ahlstrom-Munksjo, during the term of this Agreement and for forty (40) years after Final Closure, shall comply with all federal and state laws, regulations, and final orders related to the Solid Waste Facility.

M. Plan of Operation.

Ahlstrom-Munksjo, during the term of this Agreement and for forty (40) years after Final Closure, shall comply with the Plan of Operation and any Closure Plan for the Solid Waste Facility that has been approved by the DNR and it shall comply with any modifications to the original Plan of Operation and any Closure Plan. A copy of the Plan of Operation for the Solid Waste Facility approved by the DNR and any modifications thereto as may be approved by the DNR is incorporated by reference into this Agreement.

N. City, County and Town Rights at the Solid Waste Facility.

The City, County and Town, during the term of this Agreement and for forty (40) years after Final Closure, shall have the following specific rights and responsibilities under this Agreement:

1. Access, Testing and Safety Precautions.

The City, County or Town, its designees or agents shall have access to the Solid Waste Facility to conduct periodic on-site inspections of Solid Waste Approved For Disposal, water, leachate, and soils. Such inspections shall be conducted in the presence of and with the accompaniment of Ahlstrom-Munksjo representatives. The City, County or Town, its designees or agents, may accompany Ahlstrom-Munksjo representatives during sample collection, but any such collection shall be done solely by Ahlstrom-Munksjo representatives. At the request of the City, County, or Town, any samples collected in their company or in the company of their qualified technical representatives shall be distributed for potential testing in equal shares to the requesting municipal or qualified technical representative, and tested as called for in the approved facility environmental monitoring plan for the Solid Waste Facility. The requesting party shall bear any added costs resulting from the distribution for testing of such samples. Each party shall bear its own testing expense. Such access to observe collection of samples shall not be more frequent than semi-annually, unless otherwise allowed by Ahlstrom-Munksjo.

The right to access to the Solid Waste Facility shall be for the term of this Agreement and for forty (40) years after Final Closure. Consistent with any requirement of state or federal law, any State, County or Town law-enforcement officer, firefighter or health care

professional shall also be granted immediate access to the Solid Waste Facility to perform his/her official duties.

While at the Solid Waste Facility, the City, County, Town representatives and their designated agents, shall abide by the operational rules and shall fully comply with any applicable health and safety procedures required by Ahlstrom-Munksjo. If safety equipment is required, it shall be provided by Ahlstrom-Munksjo to the City, County, and Town and its designated agents while at the Solid Waste Facility.

O. Stormwater.

Ahlstrom-Munksjo, during operation and for forty (40) years after Final Closure, shall abide by all applicable federal, state and local Stormwater regulations and Stormwater Pollution Prevention Plan (SWPPP) requirements.

P. Air Quality.

Ahlstrom-Munksjo shall monitor and test air quality as required by the DNR and the EPA and meet or exceed air quality standards for the Solid Waste Facility.

Q. Closure.

Any future use by Ahlstrom-Munksjo of the Solid Waste Facility after Final Closure and for forty (40) years after Final Closure shall be approved by the City. Ahlstrom-Munksjo shall seek all necessary approvals, if applicable, and zoning changes according to the City's ordinances. Ahlstrom-Munksjo shall conduct Long-Term Care activities within the Solid Waste Facility as required by the DNR.

R. Solid Waste Approved For Disposal, Storage/Treatment

Ahlstrom-Munksjo, during operation and until Final Closure, shall not store, treat or allow the storage or treatment of any Solid Waste Approved For Disposal, except as allowed pursuant to the DNR approved Plan of Operation, and any DNR approved modifications to the Plan of Operation. Ahlstrom-Munksjo, from Final Closure of the Solid Waste Facility and for forty (40) years after Final Closure shall not store, treat or allow the storage or treatment

of any Solid Waste Approved For Disposal, except as allowed for remediation and in accordance with all applicable state and federal laws related to closure.

ARTICLE VI

LEGAL ACTIONS

A. Court Action by the City, County, Town or Ahlstrom-Munksjo.

The terms of this Agreement may be enforced by the City, County, Town, or Ahlstrom-Munksjo. All parties retain all rights to assert any defenses they may have.

Prior to commencing any court action against Ahlstrom-Munksjo, the City, County, or Town shall give Ahlstrom-Munksjo ten (10) days' written notice of any noncompliance by Ahlstrom-Munksjo which the City, County or Town alleges or considers to be in default under this Agreement. Ahlstrom-Munksjo shall have the right to cure such default or violation within the ten (10) day period, or within such time as the parties may agree. If such default or violation is not cured, the City, County or Town shall be entitled to seek such equitable or other relief as it may deem appropriate.

Prior to commencing any court action against the City, County or Town, Ahlstrom-Munksjo shall give the City, County or Town ten (10) days' written notice of any noncompliance by the City, County or Town which Ahlstrom-Munksjo alleges or considers to be in default under this Agreement. The City, County or Town shall have the right to cure such default or violation within the ten (10) day period, or within such time as the parties may agree. If such default or violation is not cured, Ahlstrom-Munksjo shall be entitled to seek such equitable or other relief as it may deem appropriate.

In the event of an emergency in which action is required before the expiration of the ten-day period in order to avoid irreparable harm, any party may seek a temporary restraining order or temporary injunction.

B. Administrative Actions by the City, County or Town.

Notwithstanding any provisions of this Agreement, the City, County or Town may, at any time, petition the DNR under Wis. Stat. § 289.92 or a successor provision to initiate action

by the DNR against Ahlstrom-Munksjo for a violation or alleged violation by Ahlstrom-Munksjo of any rule promulgated or special order, plan approval, license, or any term or condition of a license established or issued under Chapter 289, Stats. Ahlstrom-Munksjo retains the right to assert in its/their defense any defense it/they might have to any petition(s).

ARTICLE VII

ASSIGNMENT

Ahlstrom-Munksjo, during the term of this Agreement and for forty (40) years after Final Closure, may transfer, sell, lease or assign the ownership of the Solid Waste Facility to one of its subsidiaries, affiliates or its parent corporation only with the written notification to the City, County and Town. In addition, Ahlstrom-Munksjo may transfer, sell, lease or assign the Solid Waste Facility to any other person or entity only with the written notification to the City, County and Town, and only with: (1) prior DNR approval of issuance of a new operating license to that person or entity to operate the Solid Waste Facility, and (2) prior DNR approval of that person or entity's proof of financial responsibility for closure, long-term care and remedial actions at the Solid Waste Facility. Any successor owner shall comply with all terms and conditions of this Agreement.

ARTICLE VIII

FENCING

A. Solid Waste Facility.

Ahlstrom-Munksjo, during the term of this Agreement and for forty (40) years after Final Closure, shall maintain in good working order a fence around the Solid Waste Facility. This fence shall be maintained in accordance with the Plan of Operation or any modification thereto, and shall be located in accordance with the Solid Waste Facility site map, a copy of which is attached hereto and incorporated herein as Appendix B. The type of fence planned for the boundary shown in Appendix B is a chain link fence with plastic inserts. Fencing shall be at least 8 gauge and at least 6 feet high.

B. Compliance with DNR's Rules, Regulations, Standards and Guidelines.

Ahlstrom-Munksjo, during the term of this Agreement and for forty (40) years after Final Closure, shall comply with all fencing requirements of the DNR and as set forth in the Plan of Operation or any modifications thereto.

ARTICLE IX

LANDSCAPING

A. Vegetative Barriers.

Ahlstrom-Munksjo, during the term of this Agreement and for forty (40) years after Final Closure, shall provide and maintain vegetative, visual barriers for the purpose of providing noise reduction and natural aesthetic at the Solid Waste Facility.

For the purposes of this Agreement, existing vegetative barriers of natural forest and plantation conifers with associated herbaceous community shall qualify as appropriate barriers.

B. Naturally-caused Destruction of Barrier

In the event that the vegetative barriers are damaged or destroyed by a natural event or regular succession, then Ahlstrom-Munksjo shall replant conifers and/or allow natural regeneration to replace destroyed or damaged plants. A replacement plan shall be submitted to the City for approval. The replacement shall comply with the approved plan.

C. Berm Maintenance.

Ahlstrom-Munksjo, during the term of this Agreement and for forty (40) years after Final Closure, shall plant and replant, if necessary and appropriate, all berms at the Solid Waste Facility with grass or other vegetation to prevent or reduce erosion at or near the berms.

ARTICLE X

ECONOMIC IMPACT

A. Private Well Testing

1. Initial Testing

Within the first year of placement of Solid Waste Approved For Disposal, Ahlstrom-Munksjo at its sole cost shall offer to test potable well water samples from private wells having Wisconsin Well Construction Reports for the property owners listed in Appendix D, if allowed to do so by the person having control of said well. The testing is for the parameters listed on Appendix D. Ahlstrom-Munksjo shall share results of testing with private well owners within thirty (30) days of receipt of results.

2. Wisconsin Well Construction Reports

Within the first year of placement of Solid Waste Approved For Disposal in the Fill Area and for private wells that do not have a Wisconsin Well Construction Report and are listed in Appendix D, Ahlstrom-Munksjo shall at its sole cost provide a Well Driller to gather the necessary data and file a NR 812 Compliance Report form with the State of Wisconsin, if allowed to do so by the person having control of said well. Within the first year of placement of Solid Waste Approved For Disposal in the Fill Area, Ahlstrom-Munksjo at its sole cost shall then offer to test potable well water samples from private wells having a complete NR 812 Compliance Report form for property owners listed in Appendix D, if allowed to do so by the person having control of said well. The testing is for the parameters listed on Appendix D. Ahlstrom-Munksjo shall share results of testing with private well owners within thirty (30) days of receipt of results.

3. Annual Testing of Wells within 1,200 feet of Solid Waste Facility

Ahlstrom-Munksjo at its sole cost shall annually test potable water wells on the properties listed in Appendix D having a Wisconsin Well Construction Report or NR 812 Compliance Report form that are within 1,200 feet of the Fill Area, if allowed to do so by the person having control of said well. The testing is for the parameters listed on Appendix D. Private well testing shall occur at the sole cost of Ahlstrom-Munksjo for term of this Contract and forty (40) years from Final Closure or until such a time the private well properties are served by a municipal water source.

4. Testing of other Wells

Every five years, Ahlstrom-Munksjo at its sole cost shall test potable water wells on the properties listed in Appendix D having a Wisconsin Well Construction Report or filed NR 812 Compliance Report form and had participated in the initial well testing outlined in Articles X.A.1 and X.A.2, if allowed to do so by the person having control of said well. Private well testing shall occur for term of this Contract and forty (40) years from Final Closure or until such a time the private well properties are served by a municipal water source.

B. One Time Payments

1. Town of Knowlton.

Ahlstrom-Munksjo shall pay the Town of Knowlton a one-time payment of \$45,000. The payment shall be made on or before sixty days after the final execution of this Agreement. Payment shall be delivered to the Town Clerk.

2. Neighboring Property Owners with Agricultural or Residential Land

Ahlstrom-Munksjo shall pay a one-time payment to neighboring property owners as shown in Appendix C: (a) for each of the two parcels at 376 Bird Lane a sum equal to the greater of 20% of the 2018 assessed value of the parcel or \$3,000 and (b) for each of the two parcels at 309 Bird Lane and the parcel at 373 Bird Lane a sum equal to the greater of 10% of the 2018 assessed value of the parcel or \$3,000. Payment shall be paid on or before sixty days after the final execution of this Agreement.

3. Negotiating Expenses.

Ahlstrom-Munksjo will pay the Town, City, and County's negotiation-arbitration expenses related to the Solid Waste Facility up to a maximum of Twenty Thousand Dollars (\$20,000.00), consistent with the Wisconsin state statutes. The Town, City, and County shall provide Ahlstrom-Munksjo with an itemization of its expenses and copies of all bills submitted to it. Ahlstrom-Munksjo shall pay the same within thirty (30) days after submission of an invoice from the Town, City, and County.

C. Annual Payments

1. Mosinee Facility Payments

During the term of this Agreement and until Final Closure, Ahlstrom-Munksjo shall pay the City of Mosinee an annual sum as follows:

Years 1 through 5 - \$25,000 annually

Years 6 through 10 - \$20,000 annually

Years 11 through 15 - \$15,000 annually

Years 16 until Final Closure - \$10,000 annually

Payment shall be made each year Solid Waste Approved For Disposal is transported to or disposed of by any person at the Fill Area. No payment is required if no Solid Waste Approved For Disposal is transported to or disposed of by any person at the Fill Area. The first payment shall be made on or before sixty days after executing this Agreement. For each subsequent year, payments shall be made by the end of January of that year until Final Closure or no further Solid Waste Approved For Disposal is transported to or disposed of by any person at the Fill Area. Until Final Closure, Ahlstrom-Munksjo shall notify the City, County and Town by September 1st of each year if it does not intend to transport or dispose of Solid Waste Approved For Disposal in the following year. If timely notice is not given, Ahlstrom-Munksjo shall be liable for payment for the following year.

2. Rhinelander Ash Payments

During the term of the Agreement and until Final Closure, Ahlstrom-Munksjo shall pay the City of Mosinee an annual payment of \$20,000 when Rhinelander Ash is transported to or disposed of by any person at the Fill Area. No payment is required if no Rhinelander Ash is transported to or disposed of by any person at the Fill Area during a calendar year. No payment is required if Rhinelander Ash is used for Beneficial Use only during a calendar year. Payments shall be made by the end of January each year.

ARTICLE XI

OTHER CONSIDERATIONS

A. Insurance.

1. Requirement to maintain insurance.

Ahlstrom-Munksjo shall add the City, County and Town as additional insureds on its current Environmental Liability Insurance policy (the Current Policy), which covers the Fill Area. The amount of coverage and the type of liability covered by the Current Policy are described in Appendix F. This policy shall be maintained through its expiration date of February 7, 2021.

Thereafter, prior to the expiration of the Current Policy so that there is no lapse in coverage, and during the term of this Agreement and for forty (40) years after Final Closure Ahlstrom- Munksjo shall obtain and maintain replacement Environmental Liability Insurance (the Replacement Policy) covering the same type of liability as set forth in Appendix G and shall add the City, Town and County as additional insureds on the Replacement Policy. The Replacement Policy shall have minimum aggregate coverage of \$5,000,000 with a minimum coverage of \$5,000,000 for each incident and a maximum deductible of \$500,000 for each incident. Ahlstrom-Munksjo shall provide the City, Town and County with a certificate of insurance for the Current Policy and each Replacement Policy.

The type of liability covered by the Replacement Policy is set forth in Appendix G. The 2019 premium for a 3-year Replacement Policy with minimum aggregate coverage of \$5,000,000, with a minimum coverage of \$5,000,000 for each incident and a maximum deductible of \$500,000 for each incident, is \$40,091. The 2019 Annual Average Premium for calculating costs of a future Replacement Policy for purposes of this Agreement is therefore: \$13,364. Ahlstrom may, in its sole discretion, acquire Replacement Policies with a term longer than 3 years.

2. Negotiation in the event of premium increases.

If, at the end of each policy renewal period after entry into this Agreement, the average annual premium on such policy has increased by an amount in excess of the 2019 Annual Average Premium adjusted for inflation by the consumer price index CPI-U, Ahlstrom-Munksjo may notify the City, Town and County that it wishes to reopen the insurance clause of this Agreement. Upon receipt of notice, the parties shall negotiate in good faith for a modification to the insurance policy requirements to provide for such coverage as may be obtained for a premium cost at or within the amount of the 2019 Annual Average Premium as

adjusted for inflation. If the City, Town and County all deem that the coverage which may be obtained at or within the 2019 Annual Average Premium as adjusted for inflation is inadequate, the parties shall negotiate in good faith for an alternate form of assurance, the cost of which shall not exceed the 2019 Average Annual Premium as adjusted for inflation.

3. Negotiation in the event insurance is no longer available in the market.

If at any time Environmental Liability Insurance coverage is no longer available in the insurance market, Ahlstrom-Munksjo shall notify the City, Town and County at least 90 days prior to the expiration of the then-existing insurance policy and the parties shall negotiate in good faith for an alternate form of assurance against the same type of liability set forth in Appendix G. The average annual cost of such alternative form of assurance shall not exceed the 2019 Annual Average Premium adjusted for inflation.

If the parties are unable to agree on an alternate form of assurance prior to the expiration of the then-existing insurance policy, then no later than the expiration date of the then-existing insurance policy, Ahlstrom shall deposit with the City Treasurer of the City of Mosinee a sum equal to \$40,091 adjusted for inflation by the consumer price index CPI-U to be held for the benefit of the City, Town and County and to be applied only toward the cost of an alternate form of assurance. If the parties are able to negotiate an alternate form of assurance that does not require the payment of some or all of the deposit, any unused portion of the deposit shall be returned to Ahlstrom within 30 days of the written agreement on the alternate form of assurance.

B. Additional Expenses.

1. Reimbursements.

Ahlstrom-Munksjo, during the term of this Agreement and for forty (40) years after Final Closure, shall reimburse within thirty (30) days after the City, County or Town submits a written invoice, any reasonable and necessary costs incurred or any reasonable and necessary services provided by the City, County or Town in responding to or acting upon the following Emergencies:

- a. Fires, explosions, accidents or any other Emergency occurring at the Solid Waste Facility or on property related to or associated with the Solid Waste Facility or fires, explosions, accidents or any other Emergency occurring as a result of Disposal Operations, construction, operation, maintenance, disposal, Closure or Long-Term Care of the Solid Waste Facility or as a result of any transportation of Solid Waste Approved For Disposal to or from the Solid Waste Facility.
- b. Spills or discharges of Solid Waste Approved For Disposal or Hazardous Wastes which occur during the transport by Ahlstrom-Munksjo of Solid Waste Approved For Disposal to or from the Solid Waste Facility.

2. Specialized Equipment.

The City, County or Town, during the term of this Agreement and for forty (40) years after Final Closure, shall not be obligated, nor have any duty or responsibility in any way to Ahlstrom-Munksjo to acquire or supply any additional or specialized machinery or equipment to be used for the above-noted occurrences in subsection B.1. or for any other Emergency or occurrence at the Solid Waste Facility

3. Additional Personnel.

The City, County or Town, during the term of this Agreement and for forty (40) years after Final Closure, shall not be obligated, nor have any duty or responsibility in any way to Ahlstrom-Munksjo to employ or retain any additional or specialized personnel to be used for the above-noted occurrences in subsection B.1. or for any other Emergency or occurrence at the Solid Waste Facility.

ARTICLE XII

DEFENSE OF LITIGATION AND INDEMNIFICATION

A. Defense of Lawsuits.

Upon notice from the City, County or Town, Ahlstrom-Munksjo shall at its expense by counsel reasonably satisfactory to the City, County or Town defend the City, County and Town, any elected City, County or Town official acting in his/her official capacity, any employee of the City, County or Town acting within the scope of his/her employment and/or any officially appointed member of the Local Committee acting in his/her official capacity, against any lawsuit, claim, proceeding or action brought by any third party(ies) arising out of this Agreement or the construction, operation, maintenance or Long-Term Care of the Solid Waste Facility. Ahlstrom-Munksjo shall bear all costs, attorneys' fees, expenses and liabilities incurred in the defense of any such claim, proceeding or action brought thereon. In the event that Ahlstrom-Munksjo fails to meet its obligation to defend any claim, proceeding or action, the City, County or Town, any elected City, County or Town official acting in his/her official capacity, any employee of the City, County or Town acting within the scope of his/her employment and/or any officially appointed member of the Local Committee acting in his/her official capacity, shall be entitled to reimbursement from Ahlstrom-Munksjo for the costs, attorneys' fees, expenses and liabilities they incur in their own defense.

B. Indemnity.

Ahlstrom-Munksjo shall indemnify and hold harmless the City, County and Town, any elected City, County or Town official acting in his/her official capacity, any employee of the City, County or Town acting within the scope of his/her employment and/or any officially appointed member of the Local Committee acting in his/her official capacity, from and against all damages, judgments or awards arising out of any claims, proceedings or actions arising from this Agreement or the construction, operation, maintenance or Long-Term Care of the Solid Waste Facility.

1. Limitations of Indemnity.

Notwithstanding the language in subsections A and B above, Ahlstrom-Munksjo need not indemnify the City, County or Town, any elected City, County or Town official acting in his/her official capacity, any employee of the City, County or Town acting within the scope of his/her employment and/or any officially appointed member of the Local Committee acting in his/her official capacity for any intentional tort, any wanton or willful act, or misconduct,

or for punitive damages or where the injuries or damages were caused solely by the negligence of the City, County or Town, their elected officials, officers, employees, agents or independent contractors, or by a member of the Local Committee or any combination thereof.

2. Preservation of Defenses.

Ahlstrom-Munksjo agrees that notwithstanding anything to the contrary contained in this Agreement, no provision hereof shall be a waiver of, or otherwise constitute estoppel of, the City, County or Town, any elected City, County or Town official acting in his/her official capacity, any employee of the City, County or Town acting within the scope of his/her employment and/or any officially appointed member of the Local Committee acting in his/her official capacity, or their insurers to rely upon and assert the limitations, defenses and immunities provided by Wisconsin law, including but not limited to those set forth in sections 893.80, 895.52 and 345.05, Wisconsin Statutes.

3. Limit of Liability by City, County or Town.

To the extent that this Agreement provides for an indemnification by the City, County or Town of other parties and to the further extent that such indemnification is available and enforceable under law, the City, County or Town, or their insurers shall not be liable in indemnity or by contribution or by any other theory of law, for any amount greater than the limits of liability for municipal claims as established by applicable Wisconsin law.

4. Prohibition on Personal Liability

Under no circumstances shall any of the City, County or Town's alderpersons, council members, board members, officers, officials, members, attorneys, employees or agents have any personal liability arising out of this Agreement, and no party to this Agreement shall make a claim of personal liability arising out of this Agreement against another individual herein mentioned.

ARTICLE XIII

LOCAL APPROVALS WAIVED

By adoption of a resolution authorizing the execution of this Agreement, the City, County, and Town, each hereby waives and/or deems inapplicable, pursuant to Section 289.33(5)(d), Wisconsin Statutes or its successor provisions, its applicable Local Approvals as defined at Section 289.33(3)(d), Wisconsin Statutes or its successor provisions, Pre-Existing Local Approvals, as defined at Section 289.33(3)(fm), Wisconsin Statutes or its successor provisions, and any and all regulations, resolutions and ordinances that may apply to Ahlstrom-Munksjo in order to allow it to site, construct, operate, use, or transport Solid Waste Approved For Disposal to or from, maintain, repair, close, and provide Long-Term Care of the Solid Waste Facility in conformity with law. This waiver (the “Waiver”) shall continue until forty (40) years after closure of the Solid Waste Facility or until the Long-Term Care responsibility of Ahlstrom-Munksjo for the Solid Waste Facility ceases.

This Waiver does not extend, however, to any expansion of the capacity or limits of waste for the Solid Waste Facility. The Waiver shall extend to Long-Term Care operations which Ahlstrom-Munksjo must undertake pursuant to the DNR regulations pertaining to the Solid Waste Facility. The Waiver shall be applicable and effective only as to Ahlstrom-Munksjo, its officers, its employees, and its agents; provided, however, in the event of a transfer of ownership of all or part of the Solid Waste Facility, the Waiver shall apply and be effective as to the successor owner or assignee of the Solid Waste Facility.

ARTICLE XIV

REMOVAL OF SOLID WASTE APPROVED FOR DISPOSAL

During the term of this Agreement through Final Closure, Ahlstrom-Munksjo may remove Solid Waste Approved For Disposal from an open cell for the purpose of Beneficial Use. Beneficial Use activities shall occur within the Fill Area or areas outlined in the DNR approved Plan of Operation for storage and/or treatment. Prior to removal of Solid Waste Approved For Disposal from the Fill Area, Ahlstrom-Munksjo shall obtain any permits or approvals required by DNR. Ahlstrom-Munksjo agrees not to remove Solid Waste Approved

For Disposal from any closed cell except as necessary, in Ahlstrom-Munksjo's sole discretion, for remediation, Emergency purposes, or as directed to do so by DNR.

ARTICLE XV

AGREEMENT PROVISIONS

A. Term.

The term of this Agreement shall be from the date of execution and for forty (40) years after Final Closure, unless otherwise noted in the specific sections of this Agreement.

Ahlstrom-Munksjo shall cease transporting Solid Waste Approved For Disposal to the Fill Area upon Final Closure and shall upon Final Closure cease Disposal Operations at the Fill Area. Beneficial Use shall be allowed at any time it is in compliance with applicable DNR approvals and in compliance with applicable State and Federal laws.

B. Notice to Parties.

Any notices required by any provision of this Agreement shall be addressed to a party as follows, and shall be sent by first class mail, and electronically or by first class mail shall be considered written notice to that party:

To Ahlstrom-Munksjo:
Mr. Gary Garand
100 Main Street
Mosinee, WI 54455

To Ahlstrom-Munksjo Attorney:
Mr. George Marek
Quarles & Brady LLP
411 E. Wisconsin Avenue
Milwaukee, WI 53202
george.marek@quarles.com

To the City Clerk:
City of Mosinee
225 Main Street
Mosinee, WI 54455

To the County Clerk:
County of Marathon

500 Forest Street
Wausau, WI 54403

To the Town Clerk:
Town of Knowlton
1243 Old Highway 51 South
Mosinee, WI 54455

C. General Provisions.

1. Headings.

Titles, sections and paragraphs herein are for informational purposes only, except where necessary to obtain an understanding of the contents of the section or paragraph.

2. Citations.

For purposes of this Agreement, any citation to a state or federal statute or regulation shall include any and all modifications, amendments, or revisions thereto after the effective date of this Agreement.

3. Gender.

Any reference in this Agreement to “his” or “her”, “him” or “her”, or other reference to gender shall apply equally to either gender where appropriate.

4. Succession.

Each item of this Agreement shall be binding upon and inure to the benefit of the successors and assigns of the Parties to this Agreement, pursuant to Section 289.33(11), Wisconsin Stats.

5. Governing Law.

This Agreement shall be construed, enforced and governed in all respects in accordance with the laws, statutes, regulations of the State of Wisconsin and applicable federal law.

6. Nonrestriction of Legal Rights.

Nothing in this Agreement waives, abridges, restricts, or prohibits Ahlstrom-Munksjo or the City, County or Town from contesting any order, action or decision of the DNR or other state or federal agency related in any respect to the Solid Waste Facility or operations related thereto or from exercising in any manner any of its legal rights, except as provided in Article XV, Section C. 13 (Agreement Provisions, Cooperation).

7. Waiver.

Any waiver by a party of a breach or failure to perform any term or condition of this Agreement by another party shall not be considered a waiver of any subsequent breach of the same term or any other term or condition of this Agreement.

8. Complete Agreement.

This Agreement supersedes all prior Agreements or agreements, whether oral or written, between the parties applicable to the Solid Waste Facility and represents the complete agreement applicable to the Solid Waste Facility, and no changes, amendments or alterations shall be effective unless signed by all the Parties.

9. Provisions Severable.

If any provision of this Agreement shall be finally held or declared by a court of competent jurisdiction to be invalid, illegal or unenforceable under law applicable thereto, such provision shall be deemed deleted from this Agreement without impairing or prejudicing the validity, legality or enforceability of the remaining provisions hereof.

10. Force Majeure.

No party to this Agreement shall be liable for failure to perform any duty or obligation that said party may have under this Agreement where such failure has been occasioned by any act of God, fire, strike, inevitable accident, war, court order or binding determination of a governmental agency, or any cause outside the reasonable control of the party which has the duty to perform.

11. Non-Interference.

No party to this Agreement shall, by action or inaction, interfere with the terms or intent of this Agreement, or encourage any other person to interfere in any way.

12. Presumption of Draftsmanship.

In the event it is necessary to construe the language of this Agreement, it is agreed the construction shall take place without a presumption of draftsmanship against any party to this Agreement.

13. Cooperation.

The City, County and Town and Local Committee agree to cooperate with Ahlstrom-Munksjo in obtaining any subsequent approvals that may be required by the State of Wisconsin related to the construction or operation of the Solid Waste Facility.

14. Counterparts.

This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which taken together shall constitute one in the same instrument. Facsimile or pdf signatures shall be considered original signatures.

Approved and agreed to as set forth below:

CITY OF MOSINEE

Dated _____

By _____

Mayor

By _____

Clerk

AHLSTROM-MUNKSJO NA SPECIALTY SOLUTIONS, LLC

Dated _____

By _____

By _____

COUNTY OF MARATHON

Dated _____

By _____

County Executive

By _____

Clerk

TOWN OF KNOWLTON

Dated _____

By _____

Chairman

By _____

Clerk

APPENDIX A
LEGAL DESCRIPTION AND MAP SHOWING SOLID WASTE FACILITY
AND MAP OF CURRENTLY PROPOSED FILL AREA

Legal Description of Solid Waste Facility

A parcel of land being part of Government Lot 3, part of Government Lot 4, part of the Southwest 1/4 of the Southwest 1/4, and part of the Southeast 1/4 of the Southwest 1/4 of Section 32, Township 27 North, Range 7 East, City of Mosinee, Marathon County, Wisconsin, more particularly described as follows:

Commencing at the South 1/4 corner of said Section 32, thence North 89°58'29" West, coincident with the South line of said Southwest 1/4, 421.66 feet; thence North 00°13'49" East, 705.32 feet to the point of beginning; thence North 83°23'09" West, 171.50 feet; thence South 75°43'56" West, 711.50 feet; thence North 73°08'14" West, 93.00 feet; thence North 01°34'20" East, 96.00 feet; thence North 54°43'26" West, 136.50 feet; thence North 68°20'04" West, 82.00 feet; thence North 86°31'49" West, 120.00 feet; thence North 50°01'14" West, 43.55 feet; thence North 35°16'46" East, 1286.00 feet, thence North 53°01'03" East, 412.00 feet; thence North 83°54'47" East, 123.00 feet; thence South 44°11'39" East, 232.00 feet; thence South 20°35'50" East, 282.00 feet; thence South 15°13'24" East, 332.00 feet; thence South 04°00'19" West, 243.00 feet; thence South 29°01'31" West, 491.00 feet to the point of beginning.

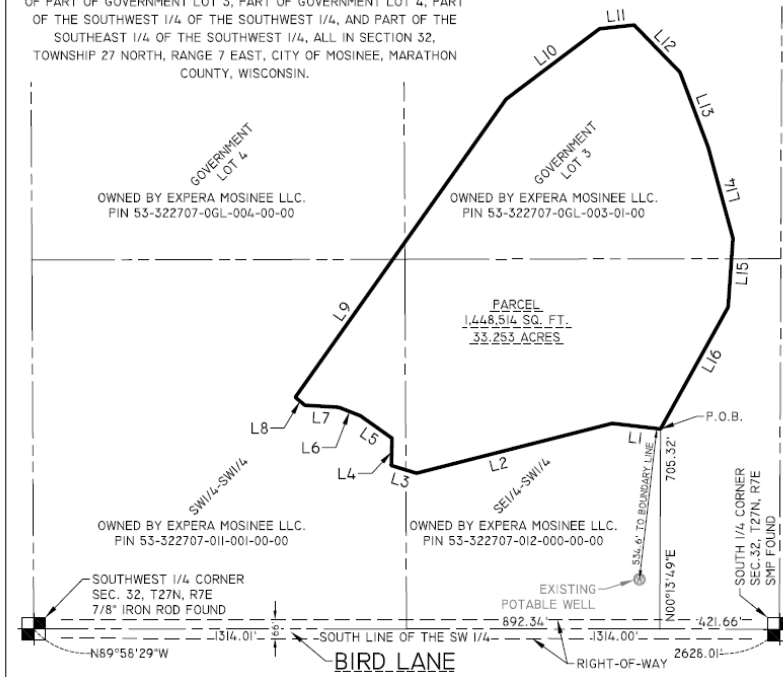
That the above described parcel contains 1,448,514 square feet or 33.253, acres more or less.

That said parcel is subject to easements, restrictions and right-of-ways of record.



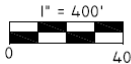
EXHIBIT MAP

OF PART OF GOVERNMENT LOT 3, PART OF GOVERNMENT LOT 4, PART OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4, AND PART OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4, ALL IN SECTION 32, TOWNSHIP 27 NORTH, RANGE 7 EAST, CITY OF MOSINEE, MARATHON COUNTY, WISCONSIN.



LINE TABLE		
LINE #	DIRECTION	LENGTH
L1	N83°23'09"W	171.50'
L2	S75°43'56"W	711.50'
L3	N73°08'14"W	93.00'
L4	N01°34'20"E	96.00'
L5	N54°43'26"W	136.50'
L6	N68°20'04"W	82.00'
L7	N86°31'49"W	120.00'
L8	N50°01'14"W	43.55'
L9	N35°16'46"E	1286.00'
L10	N53°01'03"E	412.00'
L11	N83°54'47"E	123.00'
L12	S44°11'39"E	232.00'
L13	S20°35'50"E	282.00'
L14	S15°13'24"E	332.00'
L15	S04°00'19"W	243.00'
L16	S29°01'31"W	491.00'

NOTES:
 1. BEARINGS AND COORDINATES IN NOTE #2 ARE BASED ON THE MARATHON COUNTY COORDINATE SYSTEM, NAD 83(2011) DATUM AND REFERENCED TO THE SOUTH LINE OF THE SOUTHWEST 1/4 OF SECTION 32, TOWNSHIP 27 NORTH, RANGE 7 EAST AND MEASURED TO BEAR NORTH 89°58'29" WEST.
 2. EXISTING WELL LOCATION:
 N: 133757.85, E: 262568.06
 LAT: N46°46'20.62", LONG: W89°42'08.49"



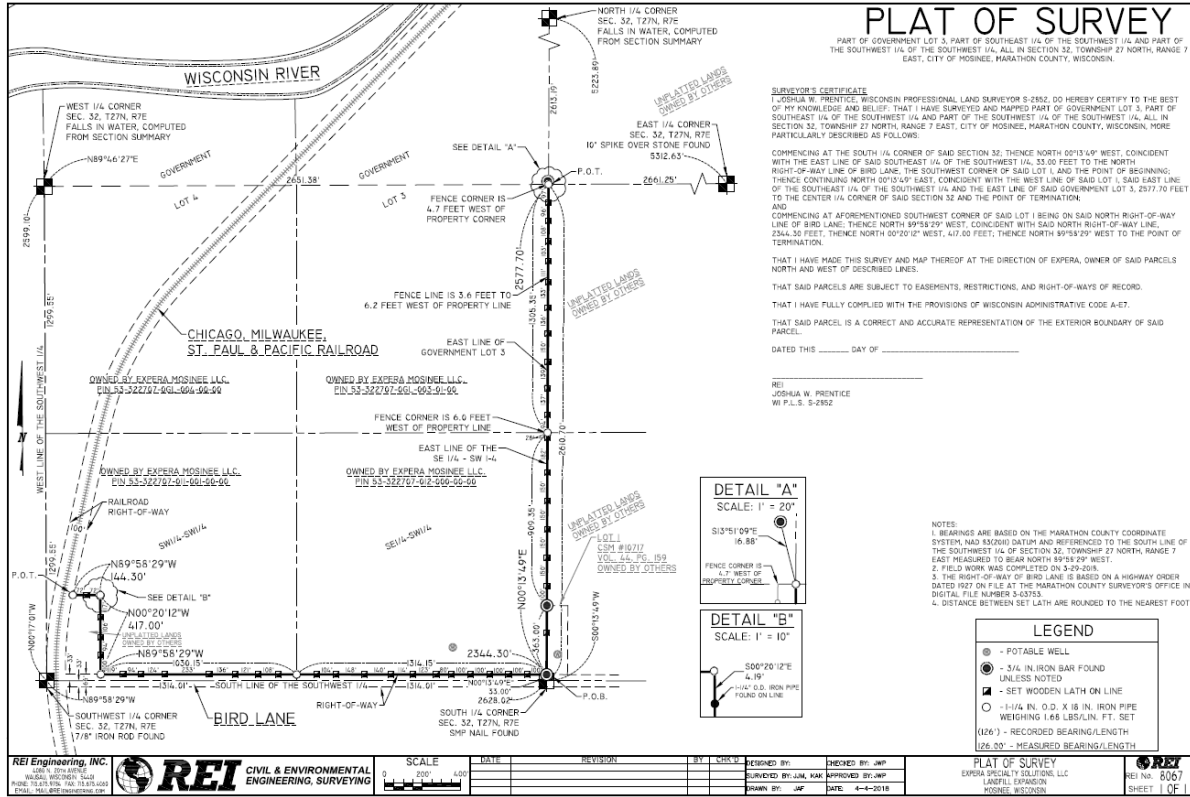
EXPERA SPECIALTY SOLUTIONS, LLC LANDFILL EXPANSION MOSINEE, WISCONSIN		EXHIBIT MAP	
PROJECT NO.	8067	DRAWN BY:	AJB
		DATE:	02/20/2018

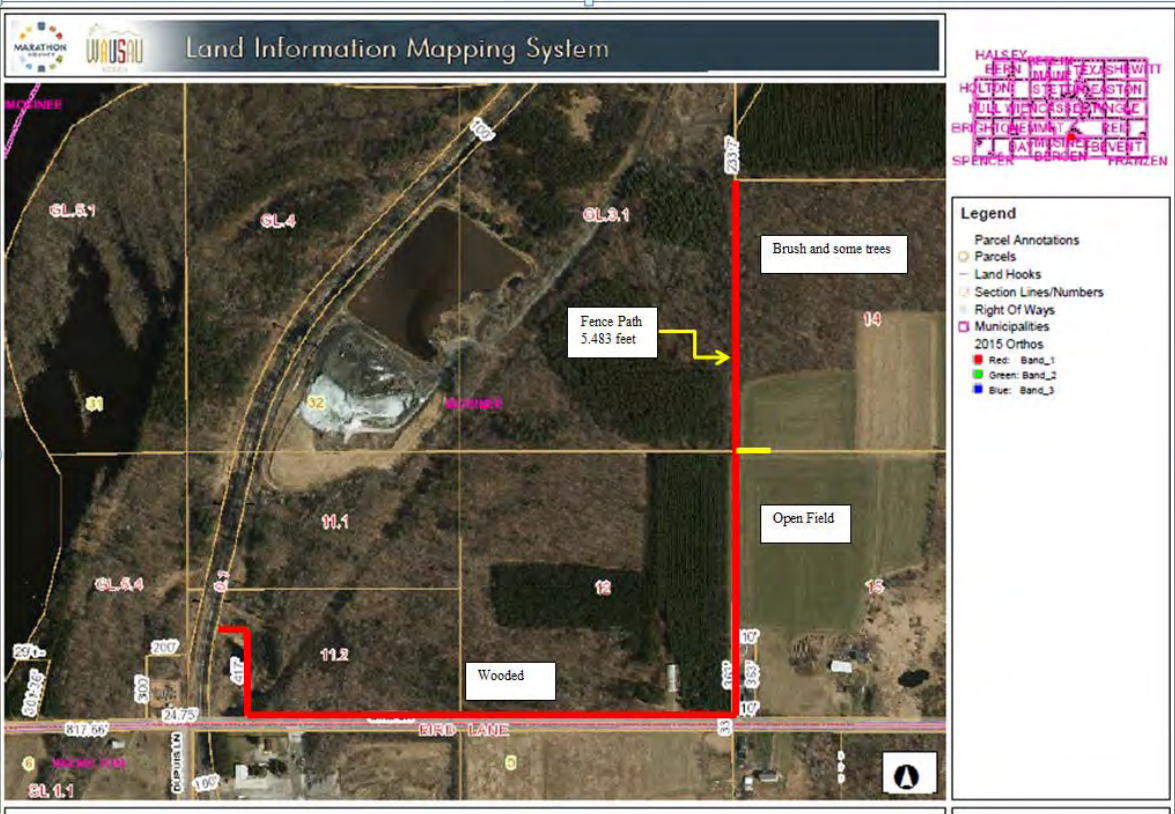
DRAWING FILE: P:\8000-8099\8067 - EXPERA - LANDFILL CELL 2\DWG\SURVEY\8067 EXHIBIT MAP.DWG LAYOUT: EXHIBIT MAP-HORIZONTAL PLOTTED: FEB 20, 2018 - 3:16PM PLOTTED BY: JAEF

APPENDIX B

Planned Property Boundary Fence

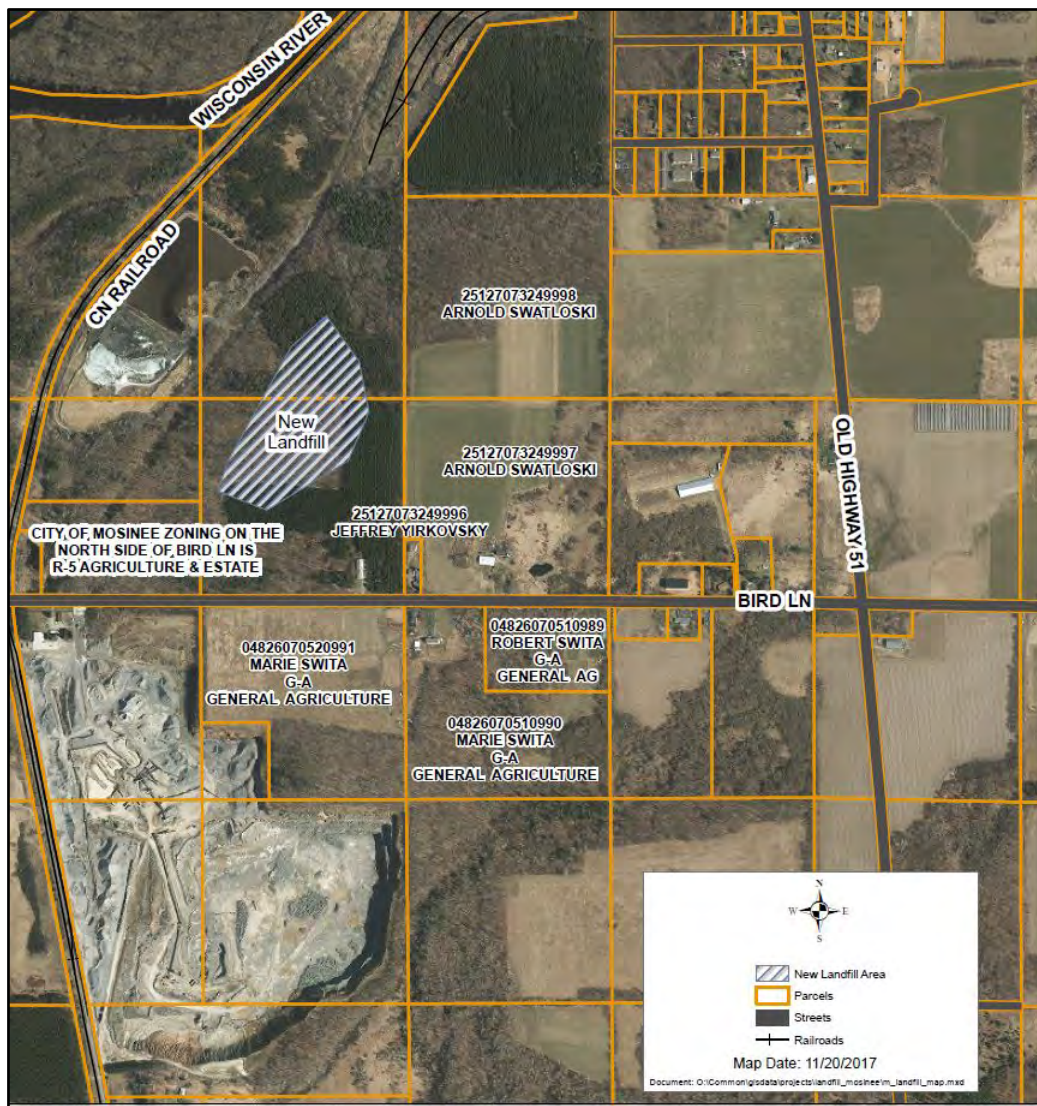
Surveyed line represents the approximate location of the fence for the Solid Waste Facility





APPENDIX C
MAP & LIST OF PROPERTY OWNERS RECEIVING PAYMENT
FOR SOCIOLOGICAL IMPACTS

Arnold Swatloski PIN 25127073249997 376 Bird Lane, Mosinee, WI 54455	Arnold Swatloski PIN 25127073249998 376 Bird Lane, Mosinee, WI 54455
Marie Swita PIN 04826070510990 309 Bird Lane, Mosinee, WI 54455	Marie Swita PIN 04826070520991 309 Bird Lane, Mosinee, WI 54455
Robert Swita PIN 04826070510989 373 Bird Lane, Mosinee, WI 54455	



**APPENDIX D
LIST OF PROPERTY OWNERS FOR WELL TESTING**

PRIVATE WELL OWNERS				
Owner/Address	Well Number	Eligible for Well Construction Test	Distance from Landfill	Eligible for Testing*
Aaron Stephanus, 120 Bird Lane, Mosinee 251-2707-323-9999	No Well	Yes, if there is a Well	-1,300 feet	First Year and Every Five Years once Well is Registered
Arnold Swatloski 376 Bird Lane, Mosinee 251-2707-324-9997	Old Well	Yes	-1,300 feet	First Year and Every Five Years once Well is Registered
Marie Swita, 309 Bird Lane, Mosinee 048-2607-051-0990	KL096, KL097	Already Registered	1,204 feet	First Year and Every Five Years
Jeffrey Yirkovsky, 320 Bird Lane, Mosinee 251-2707-324-9996	Being Registered	Already Registered	1,004 feet	First Year and Every Year
Frank Stankowski, 111 Bird Lane, Mosinee 048-2607-065-0989	?	Yes, if there is a Well	-1,825 feet	First Year and Every Five Years once Well is Registered
Mathy Construction, 115 Bird Lane, Mosinee 048-2607-052-0993	No Well	Yes, if there is a Well	1,250 feet	First Year and Every Five Years once Well is Registered
Ronald Ziemba, 405 Bird Lane, Mosinee 251-2707-324-9985	FQ462	Already Registered	-2,475 feet	First Year and Every Five Years
JAZ of the Fox Valley LLC, 400 Bird Lane, Mosinee 251-2707-324-9984	No Well	Yes, if there is a Well	-2,050 feet	First Year and Every Five Years once Well is Registered
Charles Baker, 470 Bird Lane, Mosinee 251-2707-324-9986	?	Yes, if there is a Well	-2,700 feet	First Year and Every Five Years once Well is Registered
Nancy Schulz, 199 Dupuis Lane, Mosinee 048-2607-061-0999	MR3846	Already Registered	-3,300 feet	First Year and Every Five Years
Theodore Oasen, 173 Old Hwy. 51, Mosinee 251-2707-333-9997	?	Yes, if there is a Well	-3,075 feet	First Year and Every Five Years once Well is Registered
Wayne Moon, 458 Bird Lane, Mosinee 251-2707-324-9987	?	Yes, if there is a Well	-2,600 feet	First Year and Every Five Years once Well is Registered
Robert Swita, 373 Bird Lane, Mosinee 048-2607-051-0989	?	Yes, if there is a Well	-2,000 feet	First Year and Every Five Years once Well is Registered
Carl Schilling 495 Bird Lane, Mosinee 048-2607-051-0991	XZ946	Already Registered	-3,600 feet	First Year and Every Five Years

*Well Owner must participate in first year testing to be eligible to participate in subsequent years testing.

Frequency	Parameters
Annual	00001 Color, Field;
Annual	00002 Odor, Field;
Annual	00003 turbidity, Field
Annual	VOC Scan (EPA Method 8260 or 8021)

APPENDIX E

**Bird Lane Crossing Between
Milestone Materials Cisler Quarry and
Ahlstrom-Munksjo NA Specialty Solutions LLC**



APPENDIX F

Information on Current Policy



Allianz Underwriters Insurance Company
225 West Washington Street, Suite 1800,
Chicago, IL 60606

COMMERCIAL LINES POLICY

THIS POLICY CONSISTS OF:

- DECLARATIONS
- ONE OR MORE COVERAGE PARTS. A

COVERAGE PART CONSISTS OF:

- ONE OR MORE COVERAGE FORMS
- APPLICABLE FORMS AND ENDORSEMENTS

AUI-DS-1000 (08-16)

Page 1 of 2

In Witness Whereof, we have caused this policy to be executed and attested, and if required by state law, this policy shall not be valid unless countersigned by our authorized representative.

Secretary



President and Chief Executive Officer





POLICY NUMBER: U5L00002418

ENVIRONMENT PROTECT PREMISES DECLARATION
THIS IS A CLAIMS-MADE POLICY. PLEASE READ THIS POLICY CAREFULLY.

INSURER:

Allianz Underwriters Insurance Company
225 W. Washington St., Suite 1800
Chicago, IL 60606

a Stock insurance company incorporated under the laws of Illinois, herein called the Company

PRODUCER:

Aon Risk Services Central
200 East Randolph Street
Chicago, IL 60601

ITEM 1. FIRST NAMED INSURED Expera Specialty Solutions, LLC
MAILING ADDRESS 600 Thilmany Road
Kaukauna, WI 54130

ITEM 2. POLICY PERIOD FROM February 7, 2018 TO February 7, 2021
At 12:01 A.M at the address of the First Named Insured shown above.

ITEM 3. RETROACTIVE DATE None

ITEM 4. PREMIUM
Policy Premium
Certified Terrorism
Total Premium

ITEM 5. ENDORSEMENTS ATTACHED TO THIS POLICY AT INCEPTION
See Forms and Endorsements List attached

ITEM 6. POLICY AGGREGATE LIMIT \$20,000,000

ITEM 7: PURCHASED COVERAGE SECTIONS – DEDUCTIBLES AND LIMITS OF LIABILITY

Coverage is applicable only under the purchased Coverage Part(s) selected below. If there is no entry for a Coverage Part that Coverage Part has not been purchased. Deductibles and Limits of Liability are completed in this Item 7, only for purchased Coverage Part(s).

Purchased Insuring Agreement	Each Incident Deductible	Each Incident Limit	Coverage Section Aggregate Limit
A. Own site Clean-up Costs	\$ 500,000	\$ 10,000,000	\$ 20,000,000
B. Off site Clean-up Costs	\$ 500,000	\$ 10,000,000	\$ 20,000,000
C. Third Party Claims for Bodily Injury or Property Damage	\$ 500,000	\$ 10,000,000	\$ 20,000,000

D. Emergency Response Costs	\$ 500,000	\$ 10,000,000	\$ 20,000,000
E. Transportation	\$ 500,000	\$ 10,000,000	\$ 20,000,000
F. Non-owned locations	\$ 500,000	\$ 10,000,000	\$ 20,000,000
G. Covered operations	NA	NA	NA
H. Business Interruption	3 days	\$ 10,000,000	\$ 20,000,000

ITEM 8: NOTICES

1. Notices to First Named Insured

Expera Speciality Solutions, LLC
 600 Thilmany Road
 Kaukauna, WI 54130

2. Notices to the Company of any matter or factor that may give rise to coverage under the Policy, including without limitation, occurrences, crises, emergencies, claims or pollution conditions, or imminent threats

Allianz Underwriters Insurance Company
 225 W. Washington St., Suite 1800
 Chicago, IL 60606

3. All other notices to the Company

Allianz Underwriters Insurance Company
 225 W. Washington St., Suite 1800
 Chicago, IL 60606

Broker Contact	Richard Reich
Surplus Lines Broker Name	Aon Risk Services Central
Surplus Lines Broker Address	200 East Randolph Street Chicago, IL 60601

This Declarations page, together with the attached Policy form, any applications, schedules and endorsements thereto, will constitute the contract between the Company and the Insured.

FORMS AND ENDORSEMENT LIST

NAMED INSURED: Expera Specialty Solutions, LLC

POLICY NUMBER: U5L00002418

EFFECTIVE DATE: February 7, 2018

The following policy forms and endorsements have been attached to and made a part of the policy at inception.

End #	Endorsement Title	Form #
	ENVIRONMENT PROTECT PREMISES POLICY DECLARATIONS	AGRL-PO 1005 (01-17)
	FORMS AND ENDORSEMENT LIST	AGR-DS 1002 (11-03)
	ACGS CLAIM REPORTING OPTIONS	20054 (01-17)
	POLICYHOLDER INFORMATION- ENVIRONMENTAL EMERGENCY RESPONSE AND CLAIMS INVESTIGATION SERVICES	AGRL-PO 8005 (11-16)
	ENVIRONMENT PROTECT PREMISES POLICY	AGRL-PO 2010 (09-16)
1.	OFAC POLICYHOLDER NOTICE	MANUSCRIPT
2.	TOTAL TERRORISM EXCLUSION	AGRL-PO 5045 (10-13)
3.	CRISIS MANAGEMENT RESPONSE COST AND CRISIS MANAGEMENT LOSS COVERAGE EXTENSION	AGRL-PO 4201 (01-17)
4.	SCHEDULE OF APPROVED CRISIS MANAGEMENT FIRMS	AGRL-CU 1601 (07-07)
5.	MINIMUM EARNED PREMIUM (MULTI-YEAR), CANCELLATION, AND MATERIAL CHANGE IN USE EXCLUSION ENDORSEMENT	MANUSCRIPT
6.	DEFINITION OF INSURED'S OWN SITE AND ACQUIRED PROPERTIES ENDORSEMENT	MANUSCRIPT
7.	INSURED'S OWN SITE AMENDATORY ENDORSEMENT	MANUSCRIPT
8.	COVERAGE A – THIRD PARTY CLAIMS ONLY AMENDATORY ENDORSEMENT	MANUSCRIPT
9.	SITE SPECIFIC NEW CONDITIONS ONLY COVERAGE WITH RETROACTIVE DATE ENDORSEMENT	MANUSCRIPT
10.	COVERAGE E. AND COVERAGE F NEW CONDITIONS ONLY ENDORSEMENT	MANUSCRIPT
11.	DEFINITION OF RESPONSIBLE INSURED ENDORSEMENT	MANUSCRIPT
12.	ADDITIONAL INSURED ENDORSEMENT	MANUSCRIPT
13.	LANDFILL COVERAGE AMENDATORY ENDORSEMENT	MANUSCRIPT

14.	DEFINITIONS AMENDATORY AND RETROACTIVE DATE ENDORSEMENT	MANUSCRIPT
15.	KNOWN CONDITION(S) EXCLUSION ENDORSEMENT	MANUSCRIPT
16.	SELF INSURED RETENTION / AGGREGATE / MAINTENANCE ENDORSEMENT	MANUSCRIPT
17.	DEFENSE COSTS SEPARATE LIMIT ENDORSEMENT	MANUSCRIPT
18.	PRIMARY INSURANCE ENDORSEMENT	MANUSCRIPT
19.	NON-OWNED LOCATIONS (TEMPORARY STORAGE OR DISTRIBUTION) ENDORSEMENT	MANUSCRIPT

Claim Reporting Options

Allianz Global Corporate & Specialty policies

- Aviation (US and Canada)
- Corporate Liability
- Corporate Property
- Energy
- Engineering
- Environmental Impairment Liability
- Inland Marine
- Marine Property & Liability
- Ocean Cargo
- Transportation



Email:
NewLoss@agcs.allianz.com



In emergency, call: 1. 800. 558. 1606
(International calls use 314. 513. 1353)



Fax: 1. 888. 323. 6450
(International Faxes use 314. 513. 1345)



Mail:
Allianz Global Corporate & Specialty
Attn: FNOL Claims Unit
One Progress Point Parkway, 2nd Floor
O'Fallon, MO 63368

Fireman's Fund policies

- Auto
- Entertainment
- Farm & Ranch
- Financial Lines
- Liability
- Property/HPR
- Small Business
- Workers Compensation



Web reporting:
www.agcs.allianz.com/usclaims



Email:
CIFNOL@ffic.com



In emergency, call:
1. 888. 347. 3428



Fax:
1. 800. 511. 3720



Mail:
Allianz Global Corporate & Specialty
Attn: FFIC FNOL Claims Unit
One Progress Point Parkway, 2nd Floor
O'Fallon, MO 63368

www.agcs.allianz.com/usclaims

20054-1-17

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Allianz



Policy Number U5L00002418

**Policyholder Information
Environmental Emergency Response and
Claim Investigation Services**

(RETAIN FOR YOUR RECORDS)

Please read the information below, the Coverage Form and all attached endorsements in their entirety. If you have any questions, please contact your broker.

FOR EMERGENCY RESPONSE TO ENVIRONMENTAL INCIDENTS

As part of our commitment to customer service Allianz Global Corporate & Specialty (Allianz) has named HETI as an approved provider of environmental emergency response and claim investigation services to our insureds.

HETI is a full-service environmental company founded in 1986. Their staff of environmental engineers, industrial hygienists, geologists, hydrogeologists and remedial experts has developed specific expertise in environmental incidents.

As an Allianz insured, you can call on **HETI** twenty-four hours a day, seven days a week for emergency response services for environmental incidents.

HETI's 24/7, toll-free, emergency response hotline number is:

(1-800-347-HETI)

HETI can also respond to your questions about regulatory reporting issues/requirements, spill containment and remediation techniques. HETI will contact you directly with additional information.

ALWAYS REPORT THE INCIDENT TO US AND YOUR AGENT OR BROKER

In the event of any incident that may be covered under this policy, whether or not the HETI has been contacted, the incident should be reported to us by phone or email as soon as practicable by phone or email.

Phone: 1-800-557-1606
Email: NewLoss@agcs.allianz.com

REFER TO THE CLAIM AND NOTICE REQUIREMENTS WITHIN THE CONDITIONS OF YOUR POLICY WITH RESPECT TO ANY POLLUTION CONDITION THAT MAY RESULT IN A CLAIM.

ENVIRONMENT PROTECT PREMISES

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is or is not covered. Words and phrases that appear in **bold** type have special meaning. Refer to the section titled – **DEFINITIONS**. All of the coverages contain claims-made and reported requirements. This policy provides defense within the limits of coverage.

In consideration of the payment of premium, in reliance upon the statements of the Declarations made a part hereof, subject to all of the terms of this policy including the applicable limits of liability, the Company agrees with the **named insured** as follows:

Only those coverage sections indicated on the Declarations are applicable.

Section 1 – Insuring Agreements**A. Own Site Clean-up Costs**

The Company will pay on behalf of the **insured**, **clean-up costs** resulting from a **pollution condition** on or under the **insured's own site** provided:

1. The discovery of the **pollution condition** is first made during the **period of insurance** and reported to the Company as soon as possible during the **period of insurance**; or
2. The **insured** is legally obligated to pay as a result of a **claim** for **clean-up costs** resulting from a **pollution condition**, and such **claim** is first made against the **insured** and reported to the Company during the **period of insurance**, or any **extended reporting period**, if applicable.

B. Off Site Clean-up Costs

The Company will pay on behalf of the **insured**, **clean-up costs** resulting from a **pollution condition** migrating from or through and beyond the boundaries of the **insured's own site** provided the **insured** is legally obligated to pay as a result of a **claim** for **clean-up costs** resulting from a **pollution condition**, and such **claim** is first made against the **insured** and reported to the Company during the **period of insurance**, or any **extended reporting period**, if applicable.

C. Third Party Claims for Bodily Injury or Property Damage

The Company will pay on behalf of the **insured**, **loss** that the **insured** becomes legally obligated to pay as a result of a **claim** for **bodily injury** or **property damage** resulting from a **pollution condition** on, under or migrating from or through and beyond the boundaries of the **insured's own site**, provided such **claim** is first made against the **insured** and reported to the Company during the **period of insurance**, or any **extended reporting period**, if applicable.

D. Emergency Response Costs

The Company will pay on behalf of the **insured**, **emergency response costs** incurred by or on behalf of the **insured** in response to a **pollution condition** on, under or migrating from or through and beyond the boundaries of an **Insured's own site** or arising from **transportation** or resulting from a **covered operation** provided the **emergency response costs** be incurred within ninety six (96) hours of the commencement of such a **pollution condition**, and reported to the Company within ten (10) days of the commencement of such a **pollution condition** and the corresponding coverage was purchased as stated in the Declarations.

E. Transportation

The Company will pay on behalf of the **insured**, **loss** that the **insured** becomes legally obligated to pay as a result of a **claim** for **bodily injury**, **property damage**, or **clean-up costs** resulting from a **pollution condition** caused by **transportation**, provided such **claim** is first made against the **insured** and reported to the Company during the **period of insurance**, or any **extended reporting period**, if applicable.

F. Non-Owned Locations

The Company will pay on behalf of the **insured**, **loss** that the **insured** becomes legally obligated to pay as a result of a **claim** for **bodily injury**, **property damage**, or **clean-up costs** resulting from a **pollution condition** on, under or migrating from **non-owned locations**, provided such **claim** is first made against the **insured** and reported to the Company during the **period of insurance**, or any **extended reporting period**, if applicable.

G. Covered Operations

The Company will pay on behalf of the **insured**, **loss** that the **insured** becomes legally obligated to pay as a result of a **claim** for **bodily injury**, **property damage**, or **clean-up costs** resulting from a **pollution condition** caused by **covered operations**, provided such **claim** is first made against the **insured** and reported to the Company during the **period of insurance**, or any **extended reporting period**, if applicable.

H. Business Interruption

The Company will pay the **insured's business interruption expense** and **extra expense** during the **interruption period**, caused directly by a **pollution condition** on or under the **insured's own site**, provided:

1. Such **pollution condition** results in **clean-up costs** covered under this Policy; and
2. The discovery of the **pollution condition** is first made during the **period of insurance** and reported to the Company during the **period of insurance**.

Section 2 – Defense**A. Defense**

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The Company has the right and the duty to defend the **insured** against a **claim** to which this insurance applies. The Company does not have the duty to defend the **insured** against any **claim** to which this insurance does not apply. The Company will not be obligated to defend the **insured** once the applicable Limit of Liability has been exhausted as provided in Section 3 of this Policy.

Upon the **insured's** satisfaction of any applicable deductible amount, defense costs, charges and expenses will be paid by the Company and such payments will be included as **loss** and reduce the available limits of liability. With respect to any such **claim** being defended by the Company, the Company will pay all reasonable expenses incurred by the **insured** at the Company's request to assist in the investigation or defense of the **claim**, including actual loss of earnings up to \$500 a day because of time away from work subject to an aggregate limit of \$10,000 for such expenses.

B. Consent to Settle

The Company will not settle any **claim** without the consent of the **insured** against whom the **claim** is made. However, if the **insured** refuses to consent to any settlement for **loss** above the amount of the deductible recommended by the Company, the Company's duty to defend the **insured** will then cease and the Company's liability for **loss** will not exceed the amount for which the **claim** could have been settled, less the deductible or the outstanding balance of the deductible.

If the **insured** and the Company jointly agree to use mediation as a means to resolve a **claim** made against the **insured**, and if such **claim** is resolved as a direct result of the mediation, the **insured's** deductible obligation will be reduced by 50%, up to a maximum of \$50,000. The Company will reimburse the **insured** for any such reimbursable deductible payment made prior to the mediation as soon as practicable upon reaching a final settlement.

C. Independent Counsel

In the event the **insured** is entitled by law to select independent counsel at the Company's expense, the attorney fees and all other litigation expenses the Company must pay to that counsel are limited to the rates the Company would pay to counsel the Company would have retained in the defense of similar claims in the community where the **claim** arose or is being defended. Such independent counsel must also meet minimum qualifications with respect to competency and experience in defending claims similar to the one pending against the **insured**, standards which the Company deem appropriate.

Section 3 – Limits of Liability and Deductible

Regardless of the number of **insureds**, **claims**, claimants, any **pollution condition**, or **emergency response costs**, the following limits of liability apply:

A. Policy Aggregate Limit

The policy aggregate limit as stated in the Declarations is the most the Company will pay for all **loss** under Insuring Agreements A through H, covered under this Policy.

B. Coverage Limit

Subject to the policy aggregate limit:

1. The Company's total liability for all **loss** under each Coverage in Insuring Agreements A through G, will not exceed the Coverage Section Aggregate Limit stated in the Declarations applicable to that particular coverage section; and
2. The Company's total liability for all **business interruption expense** and **extra expense** covered under Insuring Agreement H, will not exceed the Coverage Section Aggregate Limit stated in the Declarations.

C. Each Incident Limit

Subject to the policy aggregate limit, the most the Company will pay for all **loss** arising out of the same, related or continuous **pollution condition(s)** is the Each Incident Limit of coverage applicable to such coverage stated in the Declarations.

D. Multiple Coverages

If the same, related or continuous **pollution condition(s)** result in coverage under more than one coverage section, the most the Company will pay for all **loss** arising from such **pollution condition(s)** will not exceed the highest Each Incident Limit of coverage as stated in the Declarations among all the coverage sections.

E. Multiple Policies

If a **claim** for **loss** is reported to the Company during the **period of insurance**, then all **claims** that result from the same continuous or related **pollution condition(s)** reported to us during subsequent policies issued by the Company providing coverage substantially the same as that provided by the applicable coverage part of this Policy, will be deemed to have been made during this **period of insurance** and all **claims** arising from all such **loss** will be deemed to have arisen from one **pollution condition(s)** and will be subject to the Each Incident Limit applicable to this Policy.

F. Deductible

1. With respect to Coverage A through G and subject to the policy aggregate limit and coverage section aggregate limit, the Company will pay all **loss** in excess of the deductible amount stated in the Declarations for the applicable coverage, up to but not exceeding the applicable Each Incident Limit of coverage. In the event that more than one deductible amount can apply to the same **pollution condition(s)** and results in coverage under more than one coverage section, only the highest deductible amount will be applied.

The Company may advance payment of part or all of the deductible and, upon the Company's request, the **insured** will promptly reimburse the Company.

2. With respect to Coverage H and subject to the policy aggregate limit, coverage section aggregate limit and Each Incident Limit stated in the Declarations, the

Company will pay all **business interruption expense** and **extra expense** in excess of the Each Incident Deductible (days) as stated in the Declarations.

Section 4 – Definitions

A. Bodily injury means:

1. Physical injury, sickness, disease, or building-related illness sustained by any person, including death resulting therefrom, and any accompanying medical or environmental monitoring; or
2. Mental anguish, shock or emotional distress; or
3. Medical monitoring ordered by a court of competent jurisdiction.

B. Business interruption expense means:

1. Net profit loss, including **rental value**, before taxes that the **insured** would have earned or incurred during the **interruption period**; and
2. Continuing normal operating expenses incurred by the **insured** during the **interruption period**, including payroll expense for the **insured's** employees, except employees under contract, officers, executives and department managers,

due to the reasonable and necessary interruption of the **insured's** operations at the **insured's own site** during the **interruption period**.

If the **insured** would have incurred a net profit loss under paragraph 1 above, such net profit loss will reduce the operating expenses recoverable under paragraph 2 above. If the **insured** can reduce the **business interruption expense** by resuming any portion of standard business operation or by making use of any portion of **insured's own sites**, the Company will reduce **business interruption expense** accordingly.

C. Claim means a written demand seeking a remedy and alleging liability or responsibility on the part of the **insured**.

D. Clean-up costs means reasonable and necessary expenses, including legal expenses incurred with the Company's written consent, which consent shall not be unreasonably withheld or delayed, for the investigation, removal, treatment, containment, neutralization, abatement, monitoring or disposal of soil, surface water, groundwater or other contamination:

1. To the extent required by **environmental laws**;
2. In absence of any applicable **environmental laws**, to the extent recommended in writing by an **environmental professional**; or
3. That have been actually incurred by the government or any political subdivision of the United States of America or any state thereof or Canada or any province thereof, or by third parties.

Clean-up costs also include **restoration costs**.

E. **Covered operation** means those activities performed for a third party for a fee by or on behalf of the **insured** at a job site. A job site shall not include the real property owned, leased, operated or managed by the **Insured** or a **non-owned location**.

Covered operation does not include **transportation**.

F. **Defense costs** means reasonable and necessary legal fees, costs and expenses incurred in the investigation, defense, adjustment, settlement or appeal of any **claim** or legal proceeding to which this Policy applies.

G. **Emergency response costs** means reasonable and necessary expenses, including legal expenses, incurred in response to an imminent threat to human health or the environment and incurred within ninety six (96) hours of the commencement of the **pollution condition**, in order to investigate, remove, treat, contain, neutralize or abate soil, surface water, groundwater or other contamination.

H. **Environmental law** means any federal, state, provincial or local laws, including but not limited to, statutes, rules, regulations, ordinances, guidance documents, voluntary clean-up programs, and governmental, judicial or administrative orders and directives that are applicable to a **pollution condition**.

I. **Environmental professional** means an individual or entity approved by the Company in writing that is duly licensed and certified to provide environmental services by a state board or professional association. The Company will consult with the **insured** in the selection of the **environmental professional**.

J. **Extended reporting period** means the automatic additional period of time or the optional additional period of time, whichever is applicable, in which to report **claims** following termination of coverage.

K. **Extra expense** means necessary expenses incurred by the **insured** during the **interruption period**:

1. that would not have been incurred if there had not been an interruption of business; and
2. that avoids or minimizes an interruption of business;

but only to the extent such **extra expenses** reduce the **business interruption expense** otherwise covered under this Policy.

Extra expenses will be reduced by any salvage value of property obtained for temporary use during the **interruption period**.

L. **Insured** means the **named insured**, and any past or present director, officer, partner, member, manager, or employee, including any temporary or leased employee, while acting within the scope of his or her duties as such.

M. **Insured contract** means any contract or agreement scheduled on the Policy by endorsement. However, with respect to **Section 1 – Insuring Agreements, G. Covered Operations**, **insured contract** means any contract or agreement relating to **covered operations** under which the **insured** assumes the tort liability of another party

to pay for **bodily injury, property damage, or clean-up costs** to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

N. Insured's own site means each of the locations owned, leased, managed or operated by the **insured**, stated in the Declarations, or specifically scheduled on the Policy by endorsement.

O. Interruption period means the period of time that begins with the interruption of the **insured's** operations due to a **pollution condition** at the **insured's own site** and ends on the earliest of:

1. When the **insured's own site** is reasonably restored to operations;
2. When the **insured's own site** should have been restored to operations with reasonable speed and quality; or
3. When business activities resume at a new permanent location.

Interruption period does not include any time caused by the interference by employees or other persons with restoring the property, or with the resumption or continuation of operations, or any time caused by the delay in any action taken by a governmental authority necessary to allow the resumption of business operations.

P. Insured's products means goods, products, or pieces of equipment, including component parts thereof and including other products in which such goods, products or pieces of equipment are incorporated, which are manufactured, sold, furnished, or supplied by the **insured**, any subsidiary of the **insured**, any entity which wholly or partly owns, operates or manages the **insured** or any subsidiary of such entity, or any person under license from the **insured**. **Insured's products** does not include waste materials unless such waste materials are sold, furnished or supplied to a third party for beneficial reuse pursuant to applicable **environmental law**.

Q. Loss means:

1. Monetary judgment, award or settlement of compensatory damages for **bodily injury** or **property damage**;
2. Where allowable by law, punitive, exemplary or multiplied damages arising from **bodily injury** or **property damage**;
3. Civil fines, penalties and assessments arising from **bodily injury** or **property damage**;
4. **Clean-up costs**;
5. **Defense costs**;
6. **Emergency response costs**; and
7. **Business interruption expense** and **extra expense**.

R. Microbial matter means mold, mildew and fungi, whether or not such **microbial matter** is living.

S. Named insured means:

1. The entity listed in Item 1 of the Declarations page of this Policy; and

2. Any and all corporations, partnerships, companies or other entities as have existed at any time, or as now or may hereafter exist during the **period of insurance** and in which the first **named insured** did or does have more than 50% ownership interest or a controlling plurality ownership interest but, with respect to such corporations, partnerships, companies or other entities, solely with respect to liability arising out of the ownership, operation, maintenance or use of an **insured's own site(s)**.

The first **named insured** listed in Item 1 of the Declarations will act on behalf of all other **insureds** for the payment or return of premium, payment of any deductible, receipt and acceptance of any endorsement issued as part of this Policy, and giving and receiving notice of cancellation or nonrenewal.

T. Natural resource damage means the physical injury to or destruction of, as well as the assessment of such injury or destruction, including the resulting loss of value of land, fish, wildlife, biota, air, water, groundwater, drinking water supplies, and other such resources belonging to, managed by, held in trust by, appertaining to, or otherwise controlled by the United States (including the resources of the fishery conservation zone established by the Magnuson-Stevens Conservation and Management Act (16 U.S.C. 1801 et seq.)), any state, local or provincial government, any foreign government, any Indian tribe, or, if such resources are subject to a trust restriction on alienation, any member of an Indian tribe.

U. Non-owned location means:

1. A property that is not owned, leased, managed or operated by the **insured** and is scheduled on the Policy as a **non-owned location** by endorsement; or
2. Transfer, storage, treatment or disposal facilities which are used by the **insured**, but are not owned or operated by the **insured**, provided that:
 - a. The waste materials are generated from the **insured's own site, transportation, or covered operations** by the applicable coverage part of this Policy and such coverage is purchased as stated on the Declarations;
 - b. The transfer, storage, treatment or disposal facility is properly licensed and permitted to accept and dispose of such waste and has not filed for bankruptcy as of the date of the transfer, storage, treatment or disposal of such waste; and
 - c. The transfer, storage or disposal facility is not listed or proposed to be listed on the Federal National Priorities List, or any equivalent state or local list as of the earlier of:
 - i. The inception date of this Policy; or
 - ii. The inception date of the first Environmental Allianz USA Liability policy issued by the Company to the **insured** of which this is a continuous and uninterrupted renewal.

V. Offshore installation means:

1. Any installation in the sea or tidal waters which is intended for underwater exploitation of mineral resources or exploration with a view to such exploitation;
2. Any installation in the sea or tidal waters which is intended for storage or recovery of gas;

3. Any pipe or system of pipes in or under the sea or tidal waters;
4. Any wind energy installation in the sea or tidal waters; or
5. Any installation in the sea or tidal waters which is intended to provide accommodation for persons who work on, at, or from the locations specified above.

W. Offshore operation means the ownership or operation of any **offshore installation**.

X. Period of insurance means the period identified in the Declarations.

Y. Pollutant means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapor, odors, soot, fumes, acids, alkalis, toxic chemicals, hazardous substances, **microbial matter**, Legionella pneumophila, methamphetamines, electromagnetic fields, low level radioactive waste, medical waste including infectious and pathological waste and waste materials, at levels in excess of those naturally occurring.

Z. Pollution condition means the discharge, dispersal, release or escape, emission, seepage, or illicit abandonment by a third party without the **insured's** consent, of any **pollutant** into or upon land, or any structure on land, the atmosphere or any watercourse or body of water, including groundwater.

Pollution condition also means the presence of **microbial matter** within a structure.

AA. Possible claim means a **pollution condition** that first commenced during the **period of insurance** that the **insured** reasonably expects to result in a **claim**.

BB. Property damage means:

1. Physical injury to or destruction of tangible property of parties other than the **insured**, including the resulting loss of use and except with respect to tangible property located on an **insured's own site**, diminished value of that property;
2. Loss of use, but not diminution of value, of tangible property of parties other than the **insured**, that has not been physically injured or destroyed; or
3. **Natural resource damage**.

Property damage does not include **clean-up costs**.

CC. Rental Value means the:

1. Total anticipated rental income from tenant occupancy of the **insured's own site** as furnished and equipped by the **insured**;
2. Amount of charges that are the legal obligation of the tenant(s) pursuant to a lease and that would otherwise be the **insured's** obligations; and

3. Fair rental value of any portion of the **insured's own site** that is occupied by the **insured** during the **restoration period**, less any rental income the **insured** could earn:
 - a. By complete or partial rental of the **insured's own site**; or
 - b. By making use of other property on the **insured's own site** or elsewhere.

DD. Responsible insured means:

1. the manager or supervisor of the **named insured** responsible for environmental affairs, control or compliance (a) at the **insured's own site**, (b) during **transportation**, or (c) during **covered operations**;
2. the manager of the **insured's own site**; or
3. any officer, director, partner, or member of the **named insured**.

EE. Restoration costs means reasonable and necessary costs incurred by the **insured** to repair, replace or restore real or personal property to substantially the same condition it was in prior to being damaged during work performed in the course of **clean-up costs**.

Restoration costs will not include any costs associated with a betterment or improvement to the damaged property, except to the extent such betterments include the use of materials which are environmentally preferable to those materials which comprised the damaged property, at a reasonable cost. Such environmentally preferable material must be certified by an applicable independent body, or, in the absence of such certification, based on the sole discretion of the Company.

FF. Restoration period means the length of time as would be required with the exercise of due diligence and dispatch to restore the **insured's own site** to a condition that allows the resumption of normal business operations, commencing with the date operation are interrupted by a **pollution condition** and not limited by the date of expiration of the **period of insurance**. The **restoration period** does not include any time caused by the interference by an **insured** with restoring the property, or with the resumption or continuation of operations.

GG. Transportation means the movement of goods, product, merchandise, supplies or waste in a conveyance by the **insured** or by a third party carrier properly licensed to conduct such movement, from the point of origin until delivery to the final destination. **Transportation** includes the loading and unloading onto or from a conveyance, provided that the loading and unloading is performed by or on behalf of the **insured**.

HH. Underground storage tank means any tank, including any piping connected to the tank, located on or under an **insured's own site** that has at least ten percent (10%) of its combined volume underground. **Underground storage tank** does not include:

1. Septic tanks, sump pumps or oil/ water separators;
2. A tank that is enclosed within a basement, cellar, shaft or tunnel, if the tank is upon or above the surface of the floor; or

3. Storm-water or wastewater collection systems.

Section 5.1. – Exclusions

This Policy does not apply to:

A. Asbestos and lead-based paint

Loss arising from asbestos or any asbestos-containing materials or lead-based paint installed or applied in, on or to any building or other structure. However, this Exclusion does not apply to:

1. **Claims for bodily injury or property damage**, or
2. **Clean-up costs** for the remediation of soil, surface water, or groundwater, or **clean-up costs** that arise out of the inadvertent disturbance of asbestos or asbestos containing materials or lead-based paint.

In no event will this Policy pay **clean-up costs** to remove or otherwise abate asbestos or asbestos containing materials or lead-based paint that were not inadvertently disturbed.

B. Contractual liability

Loss arising from the **insured's** assumption of liability in any contract, or agreement. This Exclusion does not apply to liability that the **insured** would have had in the absence of the contract or agreement, or the contract or agreement is an **insured contract**.

C. Fines, penalties, or assessments

Loss arising from any criminal fines, criminal penalties or criminal assessments.

D. Employer liability

Loss arising from **bodily injury** to:

1. An employee of an **insured** arising out of and in the course of employment by the **insured** or performing duties related to the conduct of the **insured's** business; or
2. Any person whose right to assert a **claim** against the **insured** arises by reason of any employment, blood, marital or other relationship with the employee.

This Exclusion applies whether the **insured** may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

E. Identified underground storage tanks

Loss arising from any **underground storage tank** located at the **insured's own site**, and whose existence is known by a **responsible insured**, as of the inception date on this Policy.

This Exclusion does not apply to any **underground storage tank** which:

1. Is scheduled on this Policy by an endorsement; or
2. Was removed prior to the inception date on this Policy.

F. Insured vs insured

Any **claim** by or on behalf of any **insured** against any other **insured**. However, this exclusion shall not apply to:

1. **Claims** initiated by third parties including cross-claims, counterclaims, or claims for contribution; or
2. **Claims** that arise out of indemnification provided by one **named insured** to another **named insured** in an **insured contract**.

G. Intentional noncompliance

Loss arising from an intentional or illegal act or omission of any **responsible insured**.

This Exclusion does not apply to noncompliance based upon:

1. The **insured's** good faith reliance upon the written advice of qualified outside counsel received in advance of such noncompliance; or
2. The **insured's** reasonable response to mitigate a **pollution condition** or **loss**, provided that such circumstances are reported in writing to the Company within three (3) days of commencement.

H. Internal expenses

Costs, charges or expenses incurred by the **insured** for goods supplied or services performed by the staff or salaried employees of the **insured**, or its parent, subsidiary or affiliate, unless such costs, charges or expenses are incurred with the prior written approval of the Company, in its sole discretion.

This Exclusion does not apply to internal expenses incurred:

1. in response to **emergency response costs**; or
2. pursuant to **environmental laws** that require immediate remediation of a **pollution condition**.

I. Material change in use

Loss arising from change in the material use of the **insured's own site** during the **period of insurance** and which materially increases a risk covered under this Policy.

J. Nuclear fuel, assemblies and components

Loss arising from:

AGRL-PO 2010 (09-16)

1. Ionizing radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel; or
2. The radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

K. Offshore

Loss arising from **offshore operations**.

L. Prior knowledge/ non-disclosure

Loss arising from a **pollution condition** existing prior to the inception date and known by a **responsible insured** and not disclosed in the application process, including supporting materials, for this Policy or any previous policy for which this is a renewal thereof.

M. Products

Any **claim** or **loss** arising from the **insured's products**, including any container, any failure to warn, or any reliance upon a representation or warranty made at any time, after possession of such **insured's products** have been relinquished to others by the **insured** or others trading or operating under its name.

This Exclusion does not apply to **loss** arising from **transportation** or while such **products** are being stored or transported by others on behalf of the **named Insured** as part of a **covered operation**.

N. Property damage to conveyances

Loss resulting in **property damage** to any conveyance used by or on behalf of the **insured** during **transportation**.

This Exclusion does not apply to **loss** or **claims** arising from the **insured's** negligence.

O. War

Loss arising out of any consequence, whether direct or indirect, of war, invasion, act of foreign enemy, hostilities, whether war be declared or not, civil war, rebellion, revolution, insurrection or military or usurped power, strike, riot or civil commotion.

P. Workers Compensation

Any **claim** or **loss** based upon or arising out of any obligation for which an **insured** or any party may be held liable under any unemployment, Workers' Compensation, disability benefits, or other similar laws.

Section 5.2. – Exclusions

With respect to **Section 1 – Insuring Agreements, G. Covered Operations**, this Policy does not apply to:

A. Property Damage

Claims or loss arising for **property damage** to the **insured's products** or for **property damage** to that particular part of real property on which the **insured**, or any persons or entities acting on the **insured's** behalf, are performing **covered operations**, including any **property damage** caused by materials, parts or equipment furnished in connection with such **covered operations**.

B. Professional Services or Advice

Claims or loss arising from the performance of or failure to perform professional services or providing or failing to provide professional advice. This exclusion does not apply to improper or inadequate supervision of any entity for which the **insured** is legally liable when performing **covered operations** at a job site.

Section 6 – Conditions

A. Action against company

No action will be brought against the Company unless, as a condition precedent thereto:

1. The **insured** has fully complied with all of the terms of this Policy; and
2. The amount of the **insured's** obligation to pay has been finally determined either by judgment against the **insured** after actual trial or by written agreement of the **insured**, the claimant and the Company.

Any person or organization or the legal representative thereof who has secured such judgment or written agreement will thereafter be entitled to recover under this Policy to the extent of the insurance afforded by this Policy. No person or organization will have any right under this Policy to join the Company as a party to any action against the **insured** to determine the **insured's** liability, nor shall the Company be impleaded by the **insured** or its legal representative.

B. Assignment

This Policy and any rights contained within it may not be assigned without the Company's prior written consent. Such consent will not be unreasonably withheld or delayed.

C. Bankruptcy

Bankruptcy or insolvency of the **insured** or of the **insured's** estate will not relieve the Company of its obligations under this Policy.

D. Cancellation

This Policy may be cancelled by the **named insured** by mailing to the Company written notice stating when thereafter the cancellation will be effective.

The Policy may be cancelled by the Company by mailing to the **named insured** at its address set forth in the Declarations, a notice stating when not less than ninety (90)

days, or ten (10) days for nonpayment of premium thereafter such cancellation will be effective. The Company may cancel this Policy only for the reasons stated below:

1. Fraud or misrepresentation by the **insured**; or
2. The **insured's** failure to comply with the material terms, conditions or contractual obligations under this Policy, including the failure to pay any premium or Deductible when due. However the **insured** shall have the ability, within the first thirty (30) days of the ninety day notice period stated above, to cure such failure to comply with material terms, conditions, or contractual obligations. The Company has sole discretion in determining whether the **insured** has cured any such failure. However, in the event of failure to pay any additional premium due for the addition of an **insured's own site** during the **period of insurance**, cancellation shall only apply to coverage provided for that particular **insured's own site** for which additional premium is due but not paid.

If the **named insured** cancels, earned premium will be computed in accordance with the customary short rate table and procedure. If the Company cancels, earned premium will be computed pro rata.

Premium adjustment will be either at the time cancellation is effected or as soon as practicable after cancellation becomes effective. Payment or tender of unearned premium is not a condition of cancellation.

E. Changes

Notice to any agent or knowledge possessed by any agent or by any other person will not effect a waiver or a change in any part of this Policy or estop the Company from asserting any right under the terms of this Policy. The terms, definitions, conditions, exclusions and limitations of this Policy will not be waived or changed, and no assignment of any interest in this Policy will bind the Company, except as provided by endorsement and attached to this Policy.

F. Economic Sanctions

Any payment under this Policy will only be made in full compliance with all United States of America economic and trade sanction laws or regulations, including but not limited to, sanctions administered and enforced by the United States Treasury Department's Office of Foreign Assets Control. Whenever coverage provided by this Policy would be in violation of any U.S. economic or trade sanctions such as, but not limited to, those sanctions administered and enforced by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC"), such coverage shall be null and void.

G. Cooperation

The **insured** will cooperate with the Company and offer all reasonable assistance in the investigation and defense of **claims** or settlement of any **claim** or the clean-up and mitigation of a **pollution condition**. The Company may require the **insured** to submit to examination under oath or attending or testifying at hearings, depositions and trials. The Company may also require written statements or the **insured's** attendance at meetings with the Company, in the course of investigation. The **insured** must assist the Company in effecting settlement and obtaining the attendance of witnesses.

H. Inspection

The Company will be permitted but not obligated to inspect, sample or monitor on a continuing basis the **insured's own site** or operations, at any time. No such inspection will constitute an undertaking, on behalf of the **insured** or others, to determine or warrant such property or operation as compliance with any law, rule or regulation.

I. Other insurance

If other valid and collectible insurance is available to any **insured** covering a **loss, claim, or pollution condition**, also covered by this Policy, other than a policy that is specifically written to apply in excess of this Policy, the Company's obligations are limited as follows:

1. Except with respect to **loss** or **claims** arising in whole or in part to **microbial matter** or Legionella pneumophila, this insurance is primary, and the Company's obligations are not affected unless any of the other insurance is also primary. In such a case, the Company will share with all such other insurance by the method described in paragraph 2 and 3 below.
2. If the other insurance permits contribution by equal shares, the Company will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the **loss** remains, whichever comes first. If any of the other insurance does not permit contribution by equal shares, the Company will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.
3. With respect to **loss** arising in whole or in part to **microbial matter** or Legionella pneumophila, the insurance afforded by this Policy will apply in excess of any valid and collectible insurance and will not contribute with other insurance.

J. Representations

By accepting this Policy, the **named insured** agrees that the statements in the Declarations, schedules and endorsements to, and Application are accurate and complete, and this Policy is issued in reliance upon the truth of such representations.

K. Separation of insureds

Except with respect to the Limits of Liability, **Section 5, Paragraph F**, and any rights and duties assigned in this Policy to the **named insured**, this insurance applies as if each **insured** were the only **insured** and separately to each **insured** against whom a **claim** is made.

Any misrepresentation, act or omission that is in violation of a term, duty or condition or breach of any exclusion under this Policy by one **insured** will not by itself effect coverage for another **insured** under this Policy. However, this Condition will not apply to any entity or person who is a parent, subsidiary, affiliate, director, officer, partner,

member or employee of the **named insured** that misrepresented, concealed or breached a term or condition, or violated a duty under this Policy.

L. Subrogation

In the event of any payment under this Policy, the Company will be subrogated to all the **insured's** rights of recovery therefor against any person or organization and the **insured** will execute and deliver instruments and papers and do whatever else is necessary to secure such rights including but not limited to, assignment of the **insured's** rights against any person or organization who caused a **pollution condition** on account of which the Company made any payment under this Policy. The **insured** will do nothing to prejudice the Company's rights under this paragraph. Any recovery as a result of subrogation proceedings arising out of the payment of **loss** or **business interruption expense** covered under this Policy will accrue first to the **insured** to the extent of any payments in excess of the limit of coverage; then to the Company to the extent of the Company's payment under the Policy; and then to the **insured** to the extent of the Deductible. Expenses incurred in such subrogation proceedings will be apportioned among the interested parties in the recovery in the proportion that each interested party's share in the recovery bears to the total recovery. The Company expressly waives any rights of subrogation against a person or organization where the **insured** is obligated to provide such waiver in a written contract entered into prior to the date of **loss** or **claim**.

M. Territory

The coverage afforded pursuant to this Policy will only apply to any **pollution condition** located, and **claims** made within the United States of America, its territories or possessions or Canada.

N. Voluntary payments

No **insured** will voluntarily enter into any settlement, or make any payment or assume any obligation, without the Company's consent which will not be unreasonably withheld, except at the **insured's** own cost. This Condition will not apply if such payment or obligation is an **emergency response cost** or is pursuant to **environmental laws** that require immediate remediation of a **pollution condition**.

Section 7 – Claims and Notice Requirements

- A. As a condition precedent to the Company's obligations under this Policy, the **insured** will give written notice to the Company as soon as practicable of any **pollution condition** which may result in a **claim**. Notice under all coverages will include:
1. The names and addresses of any injured persons and witnesses;
 2. All known and reasonably obtainable information regarding the time, place, cause, nature of and other circumstances of any **pollution condition**; and
 3. Any other relevant information in the **insured's** possession concerning any actual or potential pollution.

- B. If **emergency response costs** have been incurred, the **insured** will forward to the Company within ten (10) days of the first commencement of any **pollution condition** for which the **emergency response costs** have been incurred, all information stated in paragraph A above.
- C. The **insured** will give notice to the Company of all **claims** as soon as practicable during the **period of insurance**, or during the **extended reporting period**, if applicable. The **insured** will submit all information requested by the Company, including but not limited to:
 - 1. Any demands, notices, summonses, or legal papers received in connection with the **claim**;
 - 2. Authorize the Company to obtain records and other information;
 - 3. Assist the Company in the enforcement of any right against any person or organization which may be liable to the **insured**.
- D. If during the **period of insurance**, the **insured** first becomes aware of a **possible claim**, the **insured** may provide written notice to the Company during the **period of insurance**; then any **possible claim** which subsequently becomes a **claim** made against the **insured** and reported to the Company within five (5) years after the end of the **period of insurance** of this Policy or any continuous, uninterrupted renewal thereof, will be deemed to have been first made and reported during the **period of insurance** of this Policy. Such **claim** will be subject to the terms, conditions and limits of coverage under this Policy.

Section 8 – Rights and Duties

- A. The Company will have the right but not the duty to clean up or mitigate a **pollution condition**, and to participate in decisions regarding **clean-up costs** and to assume direct control over all aspects of the clean-up, upon receiving notice as stated in this Policy. In the event the Company exercises this right, the **insured** will reimburse the Company for any portion of **loss** falling within the Deductible.
- B. The **named insured** will have the duty to mitigate a **pollution condition** to the extent required by **environmental law**, by retaining competent professionals or contractors mutually acceptable to the Company and **named insured**. The Company reserves the right to require such professionals or contractors have minimum qualifications with respect to experience with a similar **pollution condition**, clean-up or method. The **named insured** will notify the Company of actions taken pursuant to this paragraph.

Section 9 – Extended Reporting Period

- A. The Company will provide the **insured** an automatic **extended reporting period** of ninety (90) days from the end of the **period of insurance** in which to provide written notice to the Company of **claims** first made against the **insured** during the **period of insurance**, provided the **insured** has cancelled or not renewed this Policy or purchased



any other insurance to replace this insurance. Furthermore, the **insured** has not purchased the optional **extended reporting period** available under paragraph B below.

A **claim** first made against the **insured** and reported to the Company within the automatic **extended reporting period** will be deemed to have been made and reported on the last day of the **period of insurance**, provided that the **claim** arises from a **pollution condition** that commenced before the end of the **period of insurance**.

The automatic **extended reporting period** will not reinstate or increase any of the limits of liability afforded under this Policy.

B. The **insured** will be entitled to purchase an optional **extended reporting period** for four (4) years, except in the event the Policy is cancelled for fraud or nonpayment of premium, provided:

1. The **insured** makes a written request for such **extended reporting period**, within thirty (30) days of termination of coverage;
2. The **insured** pays the additional premium for such **extended reporting period**, at a rate not to exceed 200% of the premium stated in the Declarations, when due.

The Company will issue an endorsement providing this optional **extended reporting period**.

The optional **extended reporting period** will not reinstate or increase any of the limits of liability afforded under this Policy.



Allianz Underwriters Insurance Company

POLICYHOLDER NOTICE – OFAC

U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") ADVISORY NOTICE TO POLICYHOLDERS

No coverage is provided by this Policyholder Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided.

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by OFAC. **Please read this Notice carefully.**

The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- o Foreign agents;
- o Front organizations;
- o Terrorists;
- o Terrorist organizations; and
- o Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's web site – <http://www.treas.gov/ofac>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.

MANUSCRIPT

Page 1 of 1

Policy Number: U5L00002418
Effective Date: February 7, 2018

Endorsement No.
1

TOTAL TERRORISM EXCLUSION ENDORSEMENT

This Endorsement modifies insurance provided under the following:

CONTRACTORS POLLUTION LIABILITY

This "policy" is amended as follows:

1. The following exclusion is added:

This insurance does not apply to "any injury or damage" arising, directly or indirectly out of "terrorism" including action in hindering or defending against an actual or expected incident of "terrorism" regardless of any other cause or event that contributes concurrently or in any sequence to such liability.

2. The following definitions are added:

- a. For the purposes of this endorsement, "any injury or damage" means any injury or damage covered under this policy or any underlying insurance to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage", "injury", "clean-up costs" or "environmental damage" as may be defined in any applicable Coverage Part;

- b. The definition of "terrorism" includes both "certified act or terrorism" or an "other act of terrorism" as defined in paragraph c. and d. below.

- c. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act as amended. The Act sets forth the following criteria for a "certified act of terrorism":

- (1) The act resulted in aggregate losses in excess of \$5 million; and

- (2) The act is a violent act or an act that is dangerous to human life, property or infrastructure and is 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.

- d. "Other act of terrorism" means a violent act or an act that is dangerous to human life, property or infrastructure, or preparation for such an act, that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, that is not a "certified act of terrorism".

All other terms and conditions remain unchanged.



Allianz Underwriters Insurance Company
 Policy Number: U5L00002418
 Effective Date: February 7, 2018

Endorsement No.
 2

**CRISIS MANAGEMENT RESPONSE COST AND CRISIS MANAGEMENT LOSS
 COVERAGE EXTENSION**

This endorsement modifies insurance provided under the following:

ENVIRONMENT PROTECT PREMISES

This policy is amended as follows:

The following is added to **Section 1 – Insuring Agreements**:

I. Crisis Management Response Costs and Crisis Management Loss Coverage Extension

SCHEDULE A – Crisis Management Limits of Insurance

Coverage A – Crisis Management Response Costs Limit of Insurance	\$ 250,000 Each Crisis Management Event \$ 500,000 Aggregate
Coverage B – Crisis Management Loss Limit of Insurance	\$ 50,000 Each Crisis Management Event \$ 50,000 Aggregate

SCHEDULE B – Approved Crisis Management Firms

Refer to AGRL-CU 1601 Schedule of Approved Crisis Management Firms	Or contact: Allianz Global Risk Insurance Company Liability Claims Department 225 West Washington Street, Suite 1800 Chicago IL 60605 Phone number: 1.800.211.6647 Or fill out the on-line claims reporting form available at: www.agcs.allianz.com/global-offices/united-states/
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SCHEDULE C – Additional Key Executives

None unless listed below:

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1. INSURING AGREEMENT – CRISIS MANAGEMENT RESPONSE COSTS AND CRISIS MANAGEMENT LOSS

a. Crisis Management Response Costs

The Company will pay **crisis management response costs** on behalf of the **named insured**, regardless of fault, arising from a **crisis management event** which first commences during the **period of insurance**, up to the amount of the **crisis management response costs limit of insurance**.

b. **Crisis Management Loss**

The Company will pay **crisis management loss** on behalf of the **named insured** arising from a **crisis management event** which first commences during the **period of insurance**, up to the amount of the **crisis management loss limit of insurance**.

- c. A **crisis management event** will be deemed to commence at the time when a **key executive** first becomes aware of a **crisis management event** and will end when the Company determines that a crisis no longer exists or when the **crisis management response costs limit of insurance** has been exhausted, whichever comes first.
- d. There will be no retained limit or deductible applicable to **crisis management response costs** or **crisis management loss**.
- e. Any payment of **crisis management response costs** or **crisis management loss** that the Company makes under the coverage provided by this endorsement will not be an acknowledgement of coverage under any other part of this Policy, nor does it create any duty to defend any suit under any other part of this Policy.

2. **LIMITS OF INSURANCE**

- a. The **crisis management response costs limit of insurance** is the most the Company will pay for all **crisis management response costs** under this Policy, regardless of the number of **crisis management events** first commencing during the **period of insurance**. This **crisis management response costs limit of insurance** will be in addition to the applicable limits of insurance shown in the Declarations of this Policy.
- b. The **crisis management loss limit of insurance** is the most the Company will pay for all **crisis management loss** under this Policy, regardless of the number of **crisis management events** first commencing during the **period of insurance**. This **crisis management loss limits of insurance** will be in addition to the applicable limits of insurance shown in the Declarations of this Policy.
- c. The Company will have no obligation to pay **crisis management response costs** when it determines that a **crisis management event** has ended or when the **crisis management response costs limit of insurance** has been exhausted, whichever occurs first.
- d. The **crisis management limits of insurance** in Schedule A of this endorsement apply separately to each consecutive annual period and to any remaining period of less than

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twelve (12) months, beginning with the inception date shown in the Declarations. If the **period of insurance** is extended after issuance of an additional period of less than 12 months the additional period will be deemed to part of the last preceding period for purposes of determining the crisis management limits of insurance of this endorsement.

3. DEFINITIONS

For the purpose of this endorsement only, **Section 4 – Definitions** is amended to include the following definitions:

- a. **Crisis management event** means an occurrence that triggers significant adverse regional or national media coverage that in the good faith opinion of a **key executive** of the **Named insured** has or may result in damages covered by this Policy.

Crisis management event includes man-made disasters such as explosions, major crashes, multiple deaths, burns, dismemberment, traumatic brain injury, permanent paralysis, or contamination of the environment, provided that they result from an occurrence.

- b. **Crisis management firm** means any firm approved by the Company and shown in Schedule B, Approved Crisis Management Firms, of this endorsement, which is hired by you to perform **crisis management services** in connection with a **crisis management event**.

- c. **Crisis management loss** means the following amounts incurred during a **crisis management event**:

1. Amounts for the reasonable and necessary fees and expenses incurred by a **crisis management firm** in the performance of **crisis management services** for the **named insured** solely arising from a covered **crisis management event**; and
2. Amounts for reasonable and necessary printing, advertising or mailing of materials, or travel by directors, officers, employees or agents of the **named insured** or a **crisis management firm** incurred at the direction of a **crisis management firm**, solely arising from a covered **crisis management event**.

- d. **Crisis management services** means those services performed by a **crisis management firm** in assisting the **named insured** in minimizing the potential harm to the **named insured** from a covered **crisis management event** by maintaining and restoring public confidence in the **named insured**.

- e. **Crisis management response costs** mean the following reasonable and necessary expenses incurred during a **crisis management event** directly caused by a **crisis management event**, provided that such expenses have been pre-approved by the Company and are associated with damages that would be covered by this Policy:

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SCHEDULE OF APPROVED CRISIS MANAGEMENT FIRMS

THIS SCHEDULE FORMS A PART OF ENDORSEMENT AGRL-CU 2002 CRISIS MANAGEMENT RESPONSE COST AND CRISIS MANAGEMENT LOSS COVERAGE EXTENSION ENDORSEMENT ATTACHED TO THIS POLICY.

Approved Crisis Management Firm(s):

HILL & KNOWLTON STRATEGIES

24 Hour North America Crisis Help Line – 1 (212) 885 0306

<p>US LEAD ** Kevin Elliott, SVP 60 Green Street San Francisco, CA 94111 Direct: 415.281.7150 Mobile: 415.307.1252 Kevin.Elliott@hkstrategies.com</p>	<p>WESTERN US Larry Krutchik, SVP 6300 Wilshire Boulevard, 10th Floor Los Angeles, CA 90048 Direct: 310.633.9428 Mobile: 818.406.6068 Larry.Krutchik@hkstrategies.com</p>
<p>EASTERN US Nancy Fitzsimmons, SVP 466 Lexington Avenue, 4th Floor New York, New York 10017 Direct: 212.885.0356 Mobile: 908.433.6161 Nancy.Fitzsimons@hkstrategies.com</p>	<p>CENTRAL US Michelle McKenna, VP 500 W. 5th Street, Suite 1000 Austin, Texas 78701 Direct: 202.427.6042 Mobile: 202.427.6042 Michelle.McKenna@hkstrategies.com</p>
<p>CANADA LEAD ** Jane Shapiro, SVP 160 Bloor Street East, Suite 800 Toronto, Ontario M4W 3P7, Canada Direct: 416.413.4770 Mobile: 416.457.1429 Jane.Shapiro@hkstrategies.com</p>	<p>CANADA Sarah Andrewes, VP 160 Bloor Street East, Suite 800 Toronto, Ontario M4W 3P7, Canada Direct: 416.413.4605 Mobile: 416.209.1507 Sarah.Andrewes@hkstrategies.com</p>
<p>CANADA Jason MacDonald, VP 55 Metcalfe Street, Suite 1100 Ottawa, Ontario K1P 6L5, Canada Direct: 613.786.9943 Mobile: 613.786.9943 Jason.MacDonald@hkstrategies.com</p>	<p>CANADA Joy Jennisson, Chief Client Officer (CCO) 1350-355 Burrard Street Vancouver, British Columbia V6C 2G8, Canada Direct: 604.692.4224 Mobile: 604.787.4144 Joy.Jennisson@hkstrategies.com</p>

**** Kevin R. Elliott and Jane Shapiro should be the first contact in the United States and Canada, respectively.**

Approved Crisis Management Firm(s) shall also include a firm other than one shown above, provided you notify us of your intent to hire such firm and we approve. Approval shall be deemed granted if we do not notify you of our disapproval within 3 business days of receiving the notice of your intent.



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4

MINIMUM EARNED PREMIUM (MULTI-YEAR), CANCELLATION, AND MATERIAL CHANGE IN USE EXCLUSION ENDORSEMENT

This Endorsement modifies insurance provided under the following:

ENVIRONMENT PROTECT PREMISES

This policy is amended as follows:

1. The following minimum earned premium will apply:

Policy Inception:	Minimum Premium Earned 25%
End of Year Two:	Minimum Premium Earned 100%

2. **Section 6 – Conditions**, paragraph **D. Cancellation** is deleted in its entirety and replaced with the following:

D. Cancellation

This Policy may be cancelled by the **named insured** by mailing to the Company written notice stating when thereafter the cancellation will be effective.

The Policy may be cancelled by the Company by mailing to the **named insured** at its address set forth in the Declarations, a notice stating when not less than ninety (90) days, or ten (10) days for nonpayment of premium thereafter such cancellation will be effective. The Company may cancel this Policy only for the reasons stated below:

1. Fraud or misrepresentation by the **insured**; or
2. The **insured's** failure to comply with the material terms, conditions or contractual obligations under this Policy, including the failure to pay any premium or Deductible when due. However the **insured** shall have the ability, within the first thirty (30) days of the ninety day notice period stated above, to cure such failure to comply with material terms, conditions, or contractual obligations. The Company has sole discretion in determining whether the **insured** has cured any such failure. However, in the event of failure to pay any additional premium due for the addition of an **insured's own site** during the **period of insurance**, cancellation shall only apply to coverage provided for that particular **insured's own site** for which additional premium is due but not paid.

If the **named insured** cancels, earned premium will be computed in accordance with the customary short rate table and procedure after applying the minimum premium earned based on the schedule above. If the Company cancels, earned premium will be computed pro rata.

The time of surrender or the effective date of cancellation stated in the notice shall become the end of the **period of insurance**. Premium adjustment will be either at the time of

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cancellation is effected or as soon as practicable after cancellation becomes effective.
Payment or tender of unearned premium is not a condition of cancellation.

3. **Section 5 – Exclusions, paragraph I. Material change in use** is deleted in its entirety and replaced with the following:

Change in Intended Use or Operation:

Loss arising from a material change in use or operations of the **insured's own site**. For purposes of determining whether a change in use is material, any change in use that results in more stringent remediation standards than those imposed on the **insured's own site** at the effective date of the **period of insurance** shall be considered material.

All other terms, conditions and exclusions will remain the same.

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5

DEFINITION OF INSURED'S OWN SITE AND ACQUIRED PROPERTIES ENDORSEMENT

This Endorsement modifies insurance provided under the following:

ENVIRONMENT PROTECT PREMISES

This policy is amended as follows:

Section 4 – Definitions, N. Insured's own site is deleted in its entirety and replaced with the following:

N. Insured's own site means:

1. Those locations appearing in the schedule below:

Schedule

Each of the locations identified in the spreadsheet titled "Expera Environmental Liability Locations.xlsx" on file with the Company;

2. Real property first purchased, leased, or occupied by the **named insured** during the **period of insurance**, provided that:
 - i. The **named insured** gives written notice of the execution of purchase or lease agreement or occupancy in writing to the Company's underwriter before or within ninety (90) calendar days from the execution date of the purchase or lease agreement or date of occupancy, and provides the underwriter with completed application along with any other supporting documentation including but not limited to, any environmental site assessments, COPE information, certificates of closure, no further action letters, or any restrictions or directives issued by any government agency in accordance with **environmental laws**. The **named insured**, thereafter, must provide supporting documentation reasonably requested by the underwriter;
 - ii. If the real property has any **underground storage tanks**, solely with respect to coverage under this Policy for such **underground storage tanks**, the **insured** must determine that all operational **underground storage tanks** are in material compliance with all applicable **environmental laws** and regulations and obtain the most recent tank tightness testing or leak detection data conducted within sixty (60) days prior to the effective date that the **insured** acquires or leases the subject site;
 - iii. With respect to real property first purchased, leased or occupied by the **named insured** during the **period of insurance**, coverage under the Policy will be limited to coverage for a **pollution condition** which first commences on or after the retroactive date. The retroactive date for such real property will be the execution date of the purchase or lease agreement or date of occupancy.



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- iv. When the **named insured** complies with paragraph i. above, the Company will, within thirty (30) calendar days of the underwriter's receipt of all requested documentation:
 - a. Inform the **named insured** in writing that the location will be scheduled onto the Policy as an **insured's own site** subject to certain restrictions and an additional premium, as set forth in subparagraph viii. below; or
 - b. Inform the **named insured** in writing that the location is not approved and will not be scheduled onto the Policy;
- v. No coverage will be provided after the one hundred and twentieth (120th) calendar day from the execution of the lease or purchase agreement unless the location is specifically endorsed to the Policy as an **insured's own site**;
- vi. Any coverage for **claims** or **loss** for **microbial matter** at such location will not apply until the real property is specifically endorsed onto the Policy as an **insured's own site**;
- vii. The material use of the location must conform to the planned use description provided to the Company by the **named insured** for such **Insured's own site**.
- viii. The additional premium for such real property scheduled to the Policy as an **insured's own site** pursuant to sub-paragraph iv.(a) above, shall be calculated on a pro-rata basis from the date the property is first purchased, leased or operated as follows:

Pulp or Paper Making (Mill, landfill)	\$ 20,000
Converter, warehouse	\$ 1,500

All other terms, conditions and exclusions will remain the same.

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6

INSURED'S OWN SITE AMENDATORY ENDORSEMENT

This Endorsement modifies insurance provided under the following:

ENVIRONMENT PROTECT PREMISES

This policy is amended as follows:

1. The following locations are included in **Section 4 – Definitions, N. Insured's own site:**

Schedule

All divested locations for which the **insured** has no ownership or operational interest as of the effective date of this Policy

2. Solely with respect to the Scheduled **insured's own site(s)** listed in paragraph 1. of this endorsement, Item 3. RETROACTIVE DATE of the Declarations is deleted in its entirety and replaced with the following:

Item 3. RETROACTIVE DATE: The execution date of the purchase or lease agreement or the date of occupancy, whichever is later

3. Solely with respect to the Scheduled **insured's own site(s)** listed in paragraph 1. of this endorsement, **Section 1 – Insuring Agreements**, paragraphs **A. Own Site Clean-Up Costs**, **B. Off Site Clean-Up Costs**, and **C. Third Party Claims for Bodily Injury or Property Damage** are deleted in their entirety and replaced with the following:

A. Own Site Clean-Up Costs

The Company will pay on behalf of the **insured**, **clean-up costs** resulting from a **pollution condition** on or under the **insured's own site** that first commenced on or after the applicable Retroactive Date shown above and prior to the **date of divestiture**, provided the **insured** is legally obligated to pay as a result of a **claim** for **clean-up costs** resulting from a **pollution condition**, and such **claim** is first made against the **insured** and reported to the Company during the **period of insurance**, or any **extended reporting period**, if applicable.

B. Off Site Clean-Up Costs

The Company will pay on behalf of the **insured**, **clean-up costs** resulting from a **pollution condition** migrating from or through and beyond the boundaries of the **insured's own site** that first commenced on or after the applicable Retroactive Date shown above and prior to the **date of divestiture**, provided the **insured** is legally obligated to pay as a result of a **claim** for **clean-up costs** resulting from a **pollution condition**, and such **claim** is first made against the **insured** and reported to the Company during the **period of insurance**, or any **extended reporting period**, if applicable.

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C. Third Party Claims for Bodily Injury or Property Damage

The Company will pay on behalf of the **insured**, **loss** that the **insured** becomes legally obligated to pay as a result of a **claim** for **bodily injury** or **property damage** resulting from a **pollution condition** on, under or migrating from or through the **insured's own site** that first commenced on or after the applicable Retroactive Date shown above and prior to the **date of divestiture**, provided such **claim** is first made against the **insured** and reported to the Company during the **period of insurance**, or any **extended reporting period**, if applicable.

4. **Section 4 – Definitions** is amended to include the following

Date of divestiture means the date the **insured** sold, terminated lease, vacated, abandoned, or gave away the **insured's own site**.

All other terms, conditions, and exclusions will remain the same.



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7

COVERAGE A – THIRD PARTY CLAIMS ONLY AMENDATORY ENDORSEMENT

This Endorsement modifies insurance provided under the following:

ENVIRONMENT PROTECT PREMISES

This policy is amended as follows:

Section 1 – Insuring Agreements, A. Own Site Clean-up Costs, is deleted in its entirety and replaced with the following:

A. Own Site Clean-up Costs

The Company will pay on behalf of the **insured**, **clean-up costs** resulting from a **pollution condition** on or under the **insured's own site**, provided the **insured** is legally obligated to pay as a result of a **claim** for **clean-up costs** resulting from a **pollution condition**, and such **claim** is first made against the **insured** and reported to the Company during the **period of insurance**, or any **extended reporting period**, if applicable.

All other terms, conditions and exclusions will remain the same.

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8

SITE SPECIFIC NEW CONDITIONS ONLY COVERAGE WITH RETROACTIVE DATE ENDORSEMENT

This Endorsement modifies insurance provided under the following:

ENVIRONMENT PROTECT PREMISES

Solely with respect to the Scheduled **insured's own site(s)** listed below, this policy is amended as follows:

Section 1 – Insuring Agreements, A. Own site Clean-up Costs, B. Off site Clean-up Costs, and C. Third Party Claims for Bodily Injury or Property Damage are deleted in their entirety and replaced with the following:

A. Own site Clean-up Costs

The Company will pay on behalf of the **insured, clean-up costs** resulting from a **pollution condition** on or under the **insured's own site** that first commenced on or after the retroactive date stated below on this endorsement, provided the **insured** is legally obligated to pay as a result of a **claim** for **clean-up costs** resulting from a **pollution condition**, and such **claim** is first made against the **insured** and reported to the Company during the **period of insurance**, or any **extended reporting period**, if applicable.

B. Off site Clean-up Costs

The Company will pay on behalf of the **insured, clean-up costs** resulting from a **pollution condition** migrating from or through and beyond the boundaries of the **insured's own site** that first commenced on or after the retroactive date stated below on this endorsement, provided the **insured** is legally obligated to pay as a result of a **claim** for **clean-up costs** resulting from a **pollution condition**, and such **claim** is first made against the **insured** and reported to the Company during the **period of insurance**, or any **extended reporting period**, if applicable.

C. Third Party Claims for Bodily Injury or Property Damage

The Company will pay on behalf of the **insured, loss** that the **insured** becomes legally obligated to pay as a result of a **claim** for **bodily injury** or **property damage** resulting from a **pollution condition** on, under or migrating from or through the **insured's own site** that first commenced on or after the retroactive date stated below on this endorsement, provided such **claim** is first made against the **insured** and reported to the Company during the **period of insurance**, or any **extended reporting period**, if applicable.

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With respect to the **insured's own site(s)** scheduled on this endorsement, **ITEM 3. RETROACTIVE DATE** of the Declarations is deleted in its entirety and replaced with the following:

Scheduled insured's own site(s):

Insured's own site	ITEM 3: RETROACTIVE DATE
1. 15 Gate Riley Road, Jay, ME, 04239	February 7, 2018
2. 19258 Turner Avenue, Hutchinson, MN, 55350	February 7, 2018
3. 207 Thilmany Rd, Kaukauna, WI, 54130	February 7, 2018
4. 535 Edison Street, Mosinee, WI, 54455	February 7, 2018

All other terms, conditions, and exclusions will remain the same.



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9

COVERAGE E. AND COVERAGE F NEW CONDITIONS ONLY ENDORSEMENT

This Endorsement modifies insurance provided under the following:

ENVIRONMENT PROTECT PREMISES

This policy is amended as follows:

Section 1 – Insuring Agreements, paragraphs **E. Transportation**, and **F. Non-owned locations** are deleted in their entirety and replaced with the following:

E. Transportation

The Company will pay on behalf of the **insured, loss** that the **insured** becomes legally obligated to pay as a result of a **claim** for **bodily injury, property damage, or clean-up costs** resulting from a **pollution condition** caused by **transportation** that first commenced on or after the Coverage E Retroactive Date stated below, provided such **claim** is first made against the **insured** and reported to the Company during the **period of insurance**, or any **extended reporting period**, if applicable.

Coverage E Retroactive Date: 12/7/2008

F. Non-owned locations

The Company will pay on behalf of the **insured, loss** that the **insured** becomes legally obligated to pay as a result of a **claim** for **bodily injury, property damage, or clean-up costs** resulting from a **pollution condition** on, under or migrating from a **non-owned location(s)** that first commenced on or after the retroactive date shown below, provided such **claim** is first made against the **insured** and reported to the Company during the **period of insurance**, or any **extended reporting period**, if applicable.

Coverage F Retroactive Date: 12/7/2008

All other terms, conditions, and exclusions will remain the same.

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10

DEFINITION OF RESPONSIBLE INSURED ENDORSEMENT

This Endorsement modifies insurance provided under the following:

ENVIRONMENT PROTECT PREMISES

This policy is amended as follows:

Section 4 – Definitions, paragraph **DD. Responsible Insured** is deleted in its entirety and replaced with the following:

DD. Responsible insured means:

1. the manager or supervisor of the **named insured** responsible for environmental affairs, control or compliance (a) at the **insured's own site**, (b) during **transportation**, or (c) during **covered operations**; or
2. any officer, director, partner, or member of the **named insured**.

All other terms, conditions and exclusions will remain the same.

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11

ADDITIONAL INSURED ENDORSEMENT

This Endorsement modifies insurance provided under the following:

ENVIRONMENT PROTECT PREMISES

This policy is amended as follows:

It is hereby agreed that the following scheduled entities will be an additional **insured** and that the coverage afforded by such additional insured status is as follows:

- a. Solely to the additional insured's liability arising out of the **named insured's** ownership, operation, maintenance or use of the **insured's own site**; and
- b. Only if the additional insured is named in a suit as a co-defendant with the **named insured**, alleging the additional insured is liable on the basis described in paragraph a. above.

Schedule

Any entity where required by written contract executed in advance of **loss** or **claim**.

All other terms and conditions remain unchanged.

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12

LANDFILL COVERAGE AMENDATORY ENDORSEMENT

This Endorsement modifies insurance provided under the following:

ENVIRONMENT PROTECT PREMISES

This policy is amended as follows:

1. The following are added to **Section 5.1 - Exclusions**:

This policy does not apply to:

Deed Restriction

Loss arising from an **insured's** material violation of or non-compliance with any deed restriction, activity or land use limitation, engineering control or covenant that is or is to be implemented on, under, or associated with the **insured's own site** by any governmental entity with authority acting pursuant to **environmental laws**.

Engineering Controls or Operation and Maintenance

Clean-up costs due to or arising from the implementation, operation or maintenance of institutional or engineering controls, including, but not limited to, landfill gas monitoring or collection systems, capping systems or leachate collection systems at, on or under or associated with the **insured's own site**.

Groundwater and Surface Water Monitoring Costs

Clean-up costs due to or arising from groundwater or surface water (including monitoring only plans) conducted at the **insured's own site**, which monitoring is not implemented for the physical removal or remediation of any **pollution condition** or **pollutant**.

Landfill Material

Clean-up costs arising from or associated with landfill material on or under the **insured's own site**. However, this Exclusion does not apply to a **pollution condition** that has migrated beyond the boundaries of the permitted landfill cells on, under or associated with the **insured's own site**.

Surface Water Impoundment Water or Material

Clean-up costs arising from or associated with surface water, sediment or sludge or any other material located within any surface water impoundment, pond or lagoon. However, this Exclusion does not apply to a **pollution condition** that has migrated beyond the boundaries of the surface water impoundment, pond or lagoon on, under or associated with the **insured's own site**.

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Historically Contaminated Fill Material

Clean-up costs due to costs associated with the removal or management of **historically contaminated fill material** that (i) is matter that is contaminated by airborne pollution or sediment and that cannot be attributed to a specific point source, (ii) is material derived from dredging, (iii) is or has been used to replace portions of surface water with dry land or which changes the bottom elevation of surface waters for any purpose, or (iv) is or has been a conglomeration of soil or residuals including, but not limited to, slag, fly ash, or incinerator ash used to bring an area to grade on or under the **insured's own site**.

2. The following is added to **Section 4 – Definitions**:

Historically contaminated fill material means soil or soil-like materials that are comingled with or are deemed to include **pollutants** which had been first released into the material prior to its deposition on or under the **insured's own site**.

3. The following is added to **Section 6 - Conditions**:

By acceptance of this Policy, the **named insured** agrees to comply with any deed restriction, activity or land use limitation, engineering control or covenant associated with the **insured's own site** and the **named insured** understands and acknowledges that this Policy is issued in reliance upon such agreement.

All other terms, conditions and exclusions will remain the same.



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13

DEFINITIONS AMENDATORY AND RETROACTIVE DATE ENDORSEMENT

This Endorsement modifies insurance provided under the following:

ENVIRONMENT PROTECT PREMISES

This policy is amended as follows:

1. **Section 4 – Definitions**, paragraphs **D. Clean-up costs**, **Y. Pollutant**, and **Z. Pollution condition** are deleted in their entirety and replaced with the following:

D. Clean-up costs means reasonable and necessary expenses, including legal expenses incurred with the Company's written consent, which consent shall not be unreasonably withheld or delayed, for the investigation, removal, treatment, containment, neutralization, abatement, monitoring or disposal of soil, surface water, groundwater or other contamination:

1. To the extent required by **environmental laws**;
2. In absence of any applicable **environmental laws**, to the extent recommended in writing by an **environmental professional**;
3. With respect to bacteria or viruses, as defined by the Center for Disease Control, in the absence of **environmental laws**, to the extent required by the Center for Disease Control or local health department; or
4. That have been actually incurred by the government or any political subdivision of the United States of America or any state thereof or Canada or any province thereof, or by third parties.

Clean-up costs also include **restoration costs**.

Y. Pollutant means:

1. any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapor, odors, soot, fumes, acids, alkalis, toxic chemicals, hazardous substances, **microbial matter**, Legionella pneumophila, methamphetamines, electromagnetic fields, low level radioactive waste, medical waste including infectious and pathological waste and waste materials, at levels in excess of those naturally occurring; and
2. Solely with respect to **clean-up costs**, bacteria or viruses as defined by the Center for Disease Control.

Z. Pollution condition means the discharge, dispersal, release or escape, emission, seepage, or illicit abandonment by a third party without the **insured's** consent, of any

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pollutant into or upon land, or any structure on land, the atmosphere or any watercourse or body of water, including groundwater.

Pollution condition also means the presence of **microbial matter** within a structure.

- 2. Solely with respect to **loss** or **claims** arising from **microbial matter**, legionella pneumophila, or bacteria or viruses, **ITEM 3. RETROACTIVE DATE** is deleted in its entirety and replaced with the following:

Insured's own site	Retroactive Date
All insured's own sites , other than an insured's own site listed separately on this endorsement	Any pollution condition arising from the presence of microbial matter or arising from legionella pneumophila, bacteria or viruses must first commence on or after the later of (1) February 7, 2015 or (2) the date the insured took operational control or ownership of that particular insured's own site pursuant to a written purchase and sale contract or written lease agreement.
100 W. Main Street, Mosinee, WI 54455	Any pollution condition arising from the presence of microbial matter or arising from legionella pneumophila, bacteria or viruses must first commence on or after the first day of the period of insurance .

All other terms, conditions and exclusions will remain the same.



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14

KNOWN CONDITION(S) EXCLUSION ENDORSEMENT

This Endorsement modifies insurance provided under the following:

ENVIRONMENT PROTECT PREMISES

This policy is amended as follows:

The following is added to **Section 5.1 – Exclusions**:

This Policy does not apply to **clean-up costs**:

Known Condition(s)

1. Arising from any **pollution condition** due to or associated with boron, sulfate, sodium, iron, manganese, nitrate, nitrite, or any additives to or degradation by-products thereof on, under or migrating from or through the **insured's own site** located at 100 W. Main Street, Mosinee, WI 54455.
2. Arising from any **pollution condition** due to or associated with the 500,000 gallon AST, or any additives to or degradation by-products thereof on, under or migrating from or through the **insured's own site** located at 600 Thilmay Road, Kaukauna, WI 54130
3. Arising from any **pollution condition** due to or associated with the Fox River Cleanup Project.

In the sole discretion of the Company, this Exclusion may be amended upon its receipt and satisfactory review and approval of a Certificate of Closure, No Further Action Letter, or equivalent documentation issued by the responsible governmental agency with applicable jurisdiction. Provided, no such amendment will apply: 1) unless and until provided in a written Endorsement issued by the Company; and 2) in no event, to any **clean-up costs** incurred or **claim for clean-up costs** first made prior to the effective date of such Endorsement.

All other terms, conditions and exclusions will remain the same.

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15

SELF INSURED RETENTION / AGGREGATE / MAINTENANCE ENDORSEMENT

This Endorsement modifies insurance provided under the following:

ENVIRONMENT PROTECT PREMISES

This policy is amended as follows:

1. All references to "deductible" are deleted and replaced with "self-insured retention".
2. All references to deductible in Item 7. PURCHASED COVERAGE SECTIONS – DEDUCTIBLES AND LIMITS OF LIABILITY are deleted in their entirety and replaced with the following:

Each Incident **Self-Insured Retention**:

\$ 500,000	Each Incident
\$ 1,500,000	Aggregate
\$ 250,000	Each/Every Incident (Maintenance)

3. **Section 3 – Limits of Liability and Deductible**, paragraph **F. Deductible** is deleted in its entirety and replaced with the following:

F. Self-Insured Retention

1. With respect to Coverages A through G and subject to the policy aggregate limit and coverage section aggregate limit, the Company will pay all **loss** in excess of the Self-insured Retention amount stated in the Declarations for the applicable coverage, up to but not exceeding the applicable Each Incident Limit of coverage. The Self-insured Retention amount applies to all **loss**, including legal expenses, and will be borne by the **insured** and remain uninsured. The insurance provided by this policy shall be excess over the applicable Self-insured Retention amount in the Declarations, whether such retention is collectible by reason of the refusal or inability of the **insured** to pay the retention amount due to insolvency, bankruptcy or any other reason. In no event shall the Company be responsible to make payment under this policy before the **insured** has paid the Self-insured Retention, and the risk of uncollectibility (in whole or in part) of such Self-insured Retention is expressly retained by the **insured** and is not in any way or under any circumstances insured or assumed by the Company.

In the event that more than one Self-insured Retention amount can apply to the same **pollution condition(s)** and results in coverage under more than one coverage section, only the highest Self-insured Retention amount will be applied.

The **insured** shall promptly reimburse the Company for advancing any element of **loss** falling with the Self-insured retention.

MANUSCRIPT

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Allianz Underwriters Insurance Company

2. With respect to Coverage H and subject to the policy aggregate limit, coverage section aggregate limit and Each Incident Limit stated in the Declarations, the Company will pay all **business interruption expense** and **extra expense** in excess of the Each Deductible (days) stated in the Declarations.

All other terms and conditions remain unchanged.

MANUSCRIPT

Page 1 of 1



Allianz Underwriters Insurance Company
Policy Number: U5L00002418
Effective Date: February 7, 2018

Endorsement No.
16

DEFENSE COSTS SEPARATE LIMIT ENDORSEMENT

This Endorsement modifies insurance provided under the following:

ENVIRONMENT PROTECT PREMISES

This policy is amended as follows:

1. **Section 2 – Defense, Paragraph A. Defense**, is deleted in its entirety and replaced with the following:

A. Defense

The Company has the right and the duty to defend the **insured** against a **claim** to which this insurance applies. The Company does not have the duty to defend the **insured** against any **claim** to which this insurance does not apply. The Company will not be obligated to defend the **insured** once the applicable Limit of Liability has been exhausted as provided in Section 3 of this Policy.

In addition to the applicable limit of liability, the Company will pay on behalf of the **insured** costs, charges and expenses incurred in the defense, investigation or adjustment of **claims** covered hereunder. The total liability of the Company for such **defense costs**, charges and expenses associated with all **loss(es)** will not exceed ten (10%) of the highest Coverage Section Aggregate Limit for Coverages A through G set forth in Item 7 of the Declarations. Once **defense costs**, charges and expenses equal 10% of the policy aggregate and upon the **insured's** satisfaction of any applicable deductible, all additional **defense costs**, charges and expenses will be paid by the Company and such payments will be included as **loss** and reduce the available limits of liability.

With respect to any such **claim** being defended by the Company, the Company will pay all reasonable expenses incurred by the **insured** at the Company's request to assist in the investigation or defense of the **claim**, including actual loss of earnings up to \$500 a day because of time off from work subject to an aggregate limit of \$10,000 for such expenses.

2. **Section 3 – Limits of Liability and Deductible, Paragraph A. Policy Aggregate Limit**, is deleted in its entirety and replaced with the following:

A. Policy Aggregate Limit

The policy aggregate limit as stated in the Declarations plus an additional 10% for defense costs, charges, and expenses is the most the Company will pay for all **loss** under Insuring Agreements A through H, covered under this Policy.

All other terms, conditions and exclusions will remain the same.

MANUSCRIPT

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Allianz Underwriters Insurance Company
Policy Number: U5L00002418
Effective Date: February 7, 2018

Endorsement No.
17

PRIMARY INSURANCE ENDORSEMENT

This Endorsement modifies insurance provided under the following:

ENVIRONMENT PROTECT PREMISES

This policy is amended as follows:

Section 6 – Conditions, I. Other insurance is deleted in its entirety and replaced with the following:

I. Other insurance

This insurance is primary and the Company's obligations as primary insurer are not affected by any other primary insurance and the Company will not seek contribution from any other insurance available to the **insured**.

All other terms, conditions and exclusions will remain the same.

MANUSCRIPT

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Allianz Underwriters Insurance Company
Policy Number: U5L00002418
Effective Date: February 7, 2018

Endorsement No.
18

**NON-OWNED LOCATIONS (TEMPORARY STORAGE OR DISTRIBUTION)
ENDORSEMENT**

This Endorsement modifies insurance provided under the following:

ENVIRONMENT PROTECT PREMISES

This policy is amended as follows:

The following is added to **Section 4 – Definitions, U. Non-owned locations:**

Non-owned location also means any location, warehouse, or storage terminal not owned or operated by the **named insured** and used for temporary storage or distribution of the **insured's products**.

All other terms and conditions remain unchanged.

MANUSCRIPT

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APPENDIX G

Information on Replacement Policy



January 14, 2019

Revised Quotation

Mr. Max West
Senior Vice President
Aon Risk Services Central, Inc.
200 East Randolph
Chicago, IL 60601

RE: **Ahlstrom-Munksjo Paper Inc.**
Beazley ECLIPSE
ENVIRO COVERED LOCATION INSURANCE POLICY (SITE ENVIRONMENTAL)
Covered Location Pollution Liability Quotation

Dear Max,

In accordance with your request for a proposal and based on the information submitted, we are pleased to offer the following quotation of insurance for the above captioned account. Please note that the terms and conditions outlined below are not necessarily in compliance with the specifications requested in your submission. The Underwriters are not obligated to provide coverage not addressed in this proposal. Coverage would be provided on a surplus lines basis and is subject to receipt, review and written acceptance of the following information prior to binding unless noted otherwise (terms, conditions and pricing subject to change):

CONDITIONS

- Signed and Dated Beazley ECLIPSE Application
- Signed TRIA Acceptance or Rejection
- Final Development Plans relating to Cell 2 including landfill liner information
- Prior 4 Quarters of Groundwater Monitoring Data for Mosinee Mill Cell 1 Landfill
- Information on shutdown of water supply well at 320 Bird Lane
- Confirmation of installation of leachate pond and development plan

Please note: If we do not have record of the license required to bind this risk and receive an order to bind, license information must be provided in order to proceed. Additional information regarding state license requirements can be found under Broker Access / FAQ at Beazley.com or State License Requirements.

Please ensure that the Insured's address appearing on the attached document is correct and consistent with where premium/surplus lines taxes will be filed and paid. If taxes will be paid in a different state, please notify your Underwriter.

CARRIER

We are a specialist insurer with more than two decades of experience in providing clients with the highest standards of underwriting and claims service worldwide. All our insurance businesses are rated A (Excellent) by A.M. Best.

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Insurer: Lloyd's Syndicates 623/2623–A.M. Best's Rating A (Excellent), Class XV

Form: Beazley ECLIPSE
F00370 022015 ed.

Coverage Highlights (see TERMS below for actual coverage offered under this proposal):
<ul style="list-style-type: none">✓ New and Existing Pollution Conditions (BI/PD, cleanup costs, NRD and claim expenses with 1st-party discovery)✓ Transportation Pollution Liability (3rd-party and insured as carrier, includes coverage for in-bound/out-bound materials)✓ Non-Owned Disposal Site Pollution Liability (blanket locations, both onsite and offsite coverage)✓ Coverage for known pollution conditions disclosed in the application✓ Coverage for pass-through contamination migrating to and/or through a covered location from an offsite source✓ Defendants' Reimbursement Extension – up to \$500 per day, subject to a maximum of \$10,000 per claim✓ Reputation Management Reimbursement – up to 50% of \$100,000 (manage reputational risk after loss)✓ Definition of bodily injury includes mental anguish and emotional distress✓ Definition of damages includes medical monitoring✓ Definition of cleanup costs includes restoration costs and allows for participation in voluntary cleanup programs✓ Civil fines and penalties, punitive and exemplary damages where insurable by law✓ Broad definition of pollution condition (includes Legionella and microbial matter)✓ Definition of property damage includes diminished value and natural resource damage✓ Coverage for asbestos and lead-based paint in any soil, watercourse/body of water or in groundwater✓ Coverage for divested locations✓ Automatic 90-day extended reporting period (ERP) and right to purchase additional ERP✓ Primary coverage✓ 90-day notice of cancellation✓ Option for choice of law✓ Pre-claims assistance✓ Proactive claims management through experienced professionals✓ Beazley 24/7 Emergency Response Hotline

TERMS

Named Insured: Ahlstrom-Munksjo Paper Inc.

Address: 100 Erdman Way, Suite S100, Leominster, Massachusetts, 01453

Policy Period: Effective: TBD to TBD
Both dates at 12:01AM local time at the Insured's Address

Optional ERP: Up to 200% of policy premium for 36 months

Commission: 20%

Coverage	Coverage Provided
I.A.1. New Pollution Conditions – BI/PD and Cleanup	YES
I.A.2. New Pollution Conditions – 1 st Party Discovery	NO
I.B.1. Existing Pollution Conditions – BI/PD and Cleanup	NO
I.B.2. Existing Pollution Conditions – 1 st Party Discovery	NO

I.C. Transportation	YES
I.D. Non-Owned Disposal Site	YES

See below for amendments to coverage outlined above, if any.

Limit Option Each Pollution Condition	Limit Option Aggregate for the Policy Period	Deductible Options Each Pollution Condition	3 Year Term with HDPE Liner	3 Year Term with no HDPE Liner	5 Year Term with HDPE Liner	5 Year Term with no HDPE Liner
\$3,000,000	\$3,000,000	\$500,000	\$31,249	\$34,724	\$46,390	\$51,548
\$5,000,000	\$5,000,000	\$500,000	\$40,091	\$44,550	\$59,516	\$66,134

Acts of Terrorism Coverage (Disclosure Notice Attached Below): This optional coverage may be elected or rejected at the time of binding. If this coverage is elected, an additional premium of 1% will be charged and an endorsement providing this coverage will be added to the policy. If this coverage is rejected an endorsement rejecting this coverage will be added to the policy.

Retroactive Date - I.B.: Coverage not offered or provided .

Retroactive Date - I.C.: Policy Inception Date

This quotation provides coverage for the following scheduled Covered Location(s):

Address	Use
Cell 2 of the Proposed Landfill as described in the Feasibility Determination for the State of Wisconsin dated September 28, 2018 (approximately 15.9 acres), Mosinee, Wisconsin	Landfilling of non-hazardous material as permitted by the State of Wisconsin

SPECIAL PROVISIONS / ENDORSEMENTS (subject to **CONDITIONS** above)

SCHEDULE2019	Lloyd's Security Schedule
NMA1256	Nuclear Incident Exclusion Clause-Liability-Direct (BROAD) (U.S.A.)
NMA1477	Radioactive Contamination Exclusion Clause-Liability-Direct (U.S.A.)
NMA2918	War and Terrorism Exclusion Endorsement
E06693012015	U.S. Terrorism Risk Insurance Act of 2002 as Amended, New and Renewal Business Endorsement (if TRIA is accepted)
E06694012015	U.S. Terrorism Risk Insurance Act of 2002 as Amended, Not Purchased Clause (if TRIA is rejected)
E06671012015	Policyholder Disclosure Notice of Terrorism Insurance Coverage
E05654042014	<u>Disclosed Document Schedule</u>
	<ul style="list-style-type: none"> TBD
E05734042014	<u>Minimum Earned Premium</u>
	<ul style="list-style-type: none"> 100% Earned at Inception
E08782072017	<u>Landfill Coverage Restrictions Endorsement</u>
E05750042014	<u>Material Change in Use Exclusion – Coverage for specified use</u>
	<ul style="list-style-type: none"> Landfilling of non-hazardous material as permitted by the State of Wisconsin

Choice of Law: Wisconsin

NOTICE

This quotation is through a surplus lines carrier on whose behalf we are authorized to act. Compliance with applicable laws including filings and payment of taxes and fees is the responsibility of the insured, the insurance agent or insurance broker. If coverage is bound, please advise the license number of the producer making the filing.

This quotation is strictly conditioned upon no material change in risk occurring between the date of this letter and the inception date of the proposed policy (including any claim or notice or circumstances which may reasonably be expected to give rise to a claim under any policy of which the policy being proposed by this letter is a renewal or replacement). In the event of such change of risk, the Insurer may in its sole discretion, whether or not this offer has already been accepted by the Insured, modify and/or withdraw this offer.

In order to complete the underwriting process, we require that you send us any additional information requested above. We are not required to bind prior to our receipt and underwriting approval of the above information. However, if we do bind coverage prior to such approval, the terms and conditions as indicated above could be amended until such receipt and acceptance.

This quotation is valid for 30 days or until the Effective Date noted above, whichever is earlier. Please be advised that if coverage is bound, premium must be remitted within 30 days of binding.

Thank you for the opportunity.

Best Regards,



Eric D. Rosenblum
Environmental Underwriter
Specialty Lines
BEAZLEY GROUP
Lloyd's Syndicates 623 and 2623

t: +1 (312) 476-6215
c: +1 (312) 576-3312
a: 333 West Wacker Drive, Suite 1400, Chicago, IL. 60606
e: eric.rosenblum@beazley.com
w: www.beazley.com/environmental

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BEAZLEY ECLIPSE
ENVIRO COVERED LOCATION INSURANCE POLICY (SITE ENVIRONMENTAL)

COVERED LOCATION POLLUTION LIABILITY - NEW POLLUTION CONDITIONS,
COVERED LOCATION POLLUTION LIABILITY - EXISTING POLLUTION
CONDITIONS, TRANSPORTATION POLLUTION LIABILITY AND NON-OWNED
DISPOSAL SITE POLLUTION LIABILITY INSURANCE

NOTICE: The coverage under Insuring Clause I.A.1., I.B.1., I.C. and I.D. is provided on a Claims Made and Reported Basis and applies only to **Claims** first made against the **Insured** during the **Policy Period** and reported in writing to the Underwriters pursuant to the terms of this Insurance Policy. The coverage under Insuring Clause I.A.2. and I.B.2. is first party coverage for **Cleanup Costs**. The Limit of Liability available to pay **Damages** and **Cleanup Costs** shall be reduced and may be completely exhausted by payment of **Claims Expenses**. Please review the coverage afforded under this Insurance Policy carefully and discuss the coverage hereunder with your insurance agent or broker.

This Policy only affords coverage provided for those Insuring Clauses that are indicated as purchased in Item 13. of the Declarations page.

In consideration of the payment of the premium and reliance upon the statements in the **Application**, which is deemed a part of this Insurance Policy (hereinafter referred to as the "Policy" or "Insurance") and subject to the Limit of Liability, Deductible, Exclusions, conditions and other terms of this Insurance, the Underwriters agree with the **Named Insured** as follows:

I. INSURING CLAUSE

THE FOLLOWING COVERAGES ARE IN EFFECT ONLY IF SCHEDULED IN THE DECLARATIONS.

A. Covered Location Pollution Liability Coverage - New Pollution Conditions

To pay on behalf of the **Insured**:

1. **Cleanup Costs, Damages and Claims Expenses**, in excess of the Deductible, which the **Insured** shall become legally obligated to pay because of a **Claim** for a **Pollution Condition** first made against the **Insured** and reported in writing to the Underwriters during the **Policy Period**; or within the period, if applicable, set forth in Clause X.; and/or

2. **Cleanup Costs**, in excess of the Deductible, because of a **Pollution Condition** first discovered by the **Insured** and reported in writing to the Underwriters during the **Policy Period**; or within the period, if applicable, set forth in Clause X.;

provided that, such **Pollution Condition**:

- a. first commenced on or after the Inception Date stated in Item 2. of the Declarations and before the end of the **Policy Period**; and
- b. is on, at, under or migrates from a **Covered Location**.

B. Covered Location Pollution Liability Coverage - Existing Pollution Conditions

To pay on behalf of the **Insured**:

1. **Cleanup Costs, Damages and Claims Expenses**, in excess of the Deductible which the **Insured** shall become legally obligated to pay because of any **Claim** for a **Pollution Condition** first made against the **Insured** and reported in writing to the Underwriters during the **Policy Period**; or within the period, if applicable, set forth in Clause X; and/or
2. **Cleanup Costs**, in excess of the Deductible, because of a **Pollution Condition** first discovered by the **Insured** and reported in writing to the Underwriters during the **Policy Period**; or within the period, if applicable, set forth in Clause X.;

provided that, such **Pollution Condition**:

- a. first commenced on or after the Retroactive Date, if any, set forth in Item 6.(a) of the Declarations and before the Inception Date stated in Item 2. of the Declarations; and
- b. is on, at, under or migrated from a **Covered Location**.

C. **Transportation Pollution Liability Coverage**

To pay on behalf of the Insured:

Cleanup Costs, Damages and Claims Expenses, in excess of the Deductible, which the **Insured** shall become legally obligated to pay because of any **Claim** for a **Pollution Condition** first made against the **Insured** and reported in writing to the Underwriters during the **Policy Period**, or within the period, if applicable, set forth in Clause X., wholly occurring during and resulting solely from **Transportation**; provided that such **Pollution Condition** first commenced on or after the Retroactive Date set forth in Item 6.(b) of the Declarations and before the end of the **Policy Period**.

This Insuring Clause shall not be utilized to evidence financial responsibility of any **Insured** under any federal, state, provincial or local law.

D. **Non-Owned Disposal Site Pollution Liability Coverage**

To pay on behalf of the Insured:

Cleanup Costs, Damages and Claims Expenses, in excess of the Deductible, which the **Insured** shall become legally obligated to pay because of any **Claim** for a **Pollution Condition** first made against the **Insured** and reported in writing to the Underwriters during the **Policy Period**, or within the period, if applicable, set forth in Clause X., provided that such **Pollution Condition**:

1. first commenced on or after the Inception Date stated in Item 2. of the Declarations and before the end of the **Policy Period**; and
2. is on, at, under or migrates from a **Non-Owned Disposal Site**.

II. SUPPLEMENTARY PAYMENTS

Supplementary Payments made under this Clause are not subject to the Deductible and are payable by the Underwriters in addition to the Limits of Liability as set forth in Clause VII.

A. Defendants Reimbursement

Upon the Underwriters' request, the **Insured** shall attend mediation meetings, arbitration proceedings, hearings, depositions and trials relative to the defense of a **Claim**. The Underwriters shall reimburse the **Insured**, upon written request, for actual loss of earnings and reasonable expenses, due to such attendance, up to \$500 for each day, beginning on the day after the third day of attendance, in the aggregate for all **Insureds** subject to a maximum amount of \$10,000 for each **Claim**.

B. Reputation Management Reimbursement

The Underwriters shall reimburse the **Named Insured** fifty percent (50%) of the first \$100,000 in the aggregate for the **Policy Period** incurred by the **Named Insured** for **Reputational Management Expenses**

III. DEFINITIONS

Wherever used in this Policy in bold face type, the following definitions shall apply.

- A. "**Application**" means all signed applications, including all attachments and other materials submitted therewith or incorporated therein, and any other such documents submitted in connection with the underwriting of this Policy including any endorsement or other part thereof, or any other policy issued by the Underwriters, of which this Policy is a renewal, replacement or which it succeeds in time.
- B. "**Bodily Injury**" means physical injury, sickness or disease, including death resulting therefrom, and any accompanying mental anguish, emotional distress or shock sustained by any person.
- C. "**Cargo**" means an **Insured's** waste, materials, goods or products transported by automobile, aircraft, watercraft or other conveyance for delivery by a carrier properly licensed to transport such waste, materials, goods or products

D. "Claim" means:

1. a written demand received by an **Insured** for money or services or alleging liability or responsibility, including, but not limited to, the service of suit or institution of arbitration proceedings; or
2. a court or government agency order or government or regulatory action filed against the **Insured**.

E. "Claims Expenses" means:

1. reasonable and necessary fees charged by an attorney designated or consented to by the Underwriters, such consent not to be unreasonably withheld or delayed;
2. all other fees, costs and expenses resulting from the investigation, adjustment, defense and appeal of a **Claim** arising in connection therewith, if incurred by the Underwriters, or by the **Insured** with the prior written consent of the Underwriters, such consent not to be unreasonably withheld or delayed; and
3. premiums for appeal bonds for judgments or bonds to release property used to secure a legal obligation, if required for a **Claim** against any **Insured** for a **Pollution Condition** to which this Insurance applies, provided, however, that the Underwriters shall have no obligation to appeal the underlying judgment or to obtain such bonds.

Except as set forth in Clause II.A., **Claims Expenses** do not include any goods supplied or services performed by the staff or salaried employees of the **Insured** in connection with the investigation, adjustment, defense or appeal of a **Claim** noticed under this Insurance or in connection with the investigation or remediation of a **Pollution Condition**.

F. "Cleanup Costs" means:

1. reasonable and necessary costs, charges and expenses incurred (if by an **Insured**, then only with the prior written consent of the Underwriters, such consent not to be unreasonably withheld or delayed) in the investigation, assessment, removal, disposal, abatement, containment, treatment, remediation (including the associated testing and monitoring) or neutralization of a **Pollution Condition**, to the extent required by **Environmental Laws**, required by a **Licensed Site Professional** or required to satisfy the **Insured's** obligations under a federal or state voluntary cleanup program;

2. reasonable and necessary fees charged by an attorney designated or consented to by the Underwriters, such consent not to be unreasonably withheld or delayed, incurred in connection with any such **Cleanup Costs**;
 3. reasonable and necessary **Restoration Costs**; and/or
 4. reasonable and necessary expenses incurred to respond to an imminent and substantial endangerment to the public health or welfare or to the environment because of a **Pollution Condition**; provided that, as a condition precedent to coverage, the **Named Insured** shall forward written notice to the Underwriters of any action taken and expense incurred pursuant to this section as soon as practicable, but in no event later than seventy-two (72) hours after any such Cleanup Costs have been incurred or assumed..
- G. "**Covered Location**" means any location specified in Item 9. of the Declarations or in a Covered Location Endorsement attached to this Policy.
- H. "**Damages**" means a monetary judgment, award or settlement of compensatory damages, including any pre-judgment and/or post-judgment interest thereon, incurred for **Property Damage** and/or **Bodily Injury**, including any required medical monitoring when accompanied by such **Bodily Injury**.

The term **Damages** shall not include or mean:

1. criminal fines, taxes or loss of tax benefits, sanctions or criminal penalties assessed against the **Insured**;
2. civil fines and penalties assessed against the **Insured**, punitive damages, exemplary damages or any damages which are a multiple of compensatory damages, unless insurable by the law under which this Policy is construed;
3. liquidated damages;
4. any amounts for which the **Insured** is not liable, or for which there is no legal recourse against the **Insured**;
5. matters deemed uninsurable under the law pursuant to which this Policy is construed; or

6. goods supplied or services performed by the staff or salaried employees of the **Insured** in connection with the investigation, adjustment, defense or appeal of any **Claim** noticed under this Insurance or in connection with the investigation or remediation of a **Pollution Condition**, without the prior written consent of the Underwriters and in accordance with Clause II. A.
- I. **"Engineering Controls"** means physical modifications to a **Covered Location** to reduce or eliminate the potential for exposure to **Pollution Conditions**.
- J. **"Environmental Laws"** means any federal, state, provincial or local laws, including but not limited to statutes, rules, regulations, ordinances, guidance documents, and governmental, judicial or administrative orders and directives that are applicable to **Pollution Conditions** to which this Insurance applies.
- K. **"Insured"** shall mean:
 1. the **Named Insured**;
 2. a present or former director or officer, or, in the case of a limited liability company, a member or manager of the **Named Insured**, but only with respect to the performance of his or her duties as such on behalf of the **Named Insured**;
 3. a present or former employee or **Temporary Employee** of the **Named Insured**, but only for work done while acting within the scope of his or her employment and related to the conduct of the **Named Insured's** business;
 4. a present or former principal if the **Named Insured** is a sole proprietorship or a partner if the **Named Insured** is a partnership, but only with respect to the performance of his or her duties as such on behalf of the **Named Insured**;
 5. the estate, heirs, executors, administrators, assigns and legal representatives of any **Insured** in the event of such **Insured's** death, incapacity, insolvency or bankruptcy, but only to the extent that such **Insured** would otherwise be entitled to coverage under this Insurance.
- L. **"Institutional Controls"** means legal and administrative restrictions on the use of or access to a **Covered Location** which are designed to reduce or eliminate the potential for exposure to **Pollution Conditions**.

M. **"Licensed Site Professional"** means a licensed environmental scientist or engineer that is in good standing with, and acting under the authority of federal, state, provincial or local laws for the purpose of addressing **Pollution Conditions at a Covered Location**.

N. **"Material Change In Use"** means any change in use or operations at a **Covered Location** from the use or operations identified by the **Insured**:

1. in the statements and information contained in the **Application** and other supplemental materials submitted to the Underwriters prior to the Inception Date stated in Item 2. of the Declarations, or
2. prior to adding such location as a **Covered Location** specified in Item 9. of the Declarations

that materially increases the likelihood or severity of a **Pollution Condition**, or results in the imposition of more stringent remediation standards than those applicable to the **Covered Location** as of the effective date of this Policy.

O. **"Microbial Matter"** means fungi, mold or mildew.

P. **"Named Insured"** means only the person or entity specified in Item 1. of the Declarations.

Q. **"Natural Resource Damage"** means physical injury to, or destruction of, and the resulting loss of use and loss of value (and the cost for assessment and replacement as a result of such injury, destruction or loss required by law to restore the natural resources to their baseline conditions as they existed prior to the **Pollution Condition**) of land, fish, wildlife, biota, air, water, groundwater, drinking water supplies, and other such resources belonging to, managed by, held in trust by, appertaining to, or otherwise controlled by the United States (including the resources of the fishery conservation zone established by the Magnuson-Stevens Fishery Conservation and Management Act, 16 U.S.C. 1801 et. seq.), any state, local or provincial government, any foreign government, any Native American Tribe or if such resources are subject to a trust restriction on alienation, any member of a Native American Tribe.

R. **"Non-Owned Disposal Site"** means any location used by the **Named Insured** for the treatment, storage or disposal of waste or materials generated at a **Covered Location**, provided that such location:

1. is not managed, operated, owned or leased by any **Insured** or an affiliate of any **Insured**; and

2. is properly permitted and/or licensed by the applicable federal, state, local or provincial authorities to accept such waste or materials as of the date the waste or materials are treated, stored or disposed of at such location; and
 3. is within the United States, its territories or possessions, or in Canada; and
 4. is not listed on a proposed or final Federal National Priorities List and/or any state or provincial equivalent National Priority List, Superfund or Hazardous Waste List prior to the treatment, storage or disposal of the waste or material at such location; and
 5. is not owned or operated by a bankrupt or financially insolvent entity as of the date the waste or materials are treated, stored or disposed of at such location.
- S. **"Policy Period"** means the period of time between the Inception Date stated in Item 2. of the Declarations and the effective date of termination, expiration or cancellation of this Insurance and specifically excludes any **Extended Reporting Period** or any prior policy period or renewal period.
- T. **"Pollution Condition"** means the actual or alleged discharge, dispersal, release, escape, migration, seepage or illicit abandonment of any solid, liquid, gaseous or thermal irritant, contaminant or pollutant, including but not limited to, smoke, vapors, soot, fumes, acids, alkalis, chemicals, toxic or hazardous substances, waste materials, including medical infectious and pathological waste, low-level radioactive waste and material into or upon land or structures thereupon, the atmosphere or any watercourse, body of water or groundwater, which results in **Bodily Injury, Property Damage or Cleanup Costs** to which this Insurance applies. **Pollution Condition** includes the presence of legionella pneumophila and **Microbial Matter** on, at or within any structures at the **Covered Location**. **Pollution Condition** does not include any exposure to infected humans or animals, or contact with bodily fluids or infected humans or animals.

For the purpose of this Policy, the same, continuing or series of related or repeated **Pollution Conditions** shall be considered a single **Pollution Condition**, irrespective of the number of claimants or **Insureds** involved in the **Claim**.

U. "Property Damage" means:

1. physical injury to or destruction of any tangible property, including the loss of use thereof;
2. loss of use of tangible property that has not been physically injured or destroyed;
3. diminished value of property owned by third parties, but only where there is physical injury to or destruction of such tangible property; or
4. **Natural Resource Damage.**

Property Damage does not include **Cleanup Costs**.

V. "Reputational Management Expense" means reasonable fees, costs, and expenses incurred by the **Named Insured** which are directly related to mitigating harm to the **Named Insured's** reputation resulting from a **Pollution Condition** covered under this Policy.

W. "Responsible Insured" means:

1. any director, officer, principal, partner, or, in the case of a limited liability company, member or manager of the **Named Insured**;
2. any manager or supervisor of the **Named Insured** responsible for environmental health and safety affairs, control or compliance;
3. any insurance manager or any member of the risk management or legal department of the **Named Insured**; or
4. any manager of a **Covered Location**.

X. "Restoration Costs" means expenses required to restore, repair or replace real or personal property to substantially the same condition it was in prior to being damaged during the course of responding to a **Pollution Condition** to which this Insurance applies. These costs will not exceed the actual cash value of such real or personal property immediately prior to such damage, or include costs associated with improvements or betterments. Actual cash value shall mean the cost to replace such real or personal property, immediately prior to such damage, minus the accumulated depreciation of the real or personal property.

Y. "Temporary Employee" means a natural person furnished or leased to the **Named Insured** to meet short term or project specific workloads and for whom the **Named Insured** has the right to direct and control the means of performance.

Z. "Transportation" means the movement of **Cargo** to or from a **Covered Location** and includes the carrier's loading and unloading of **Cargo** onto or from an automobile, aircraft, watercraft or other conveyance provided that the loading and unloading is performed by or on behalf of the **Insured**.

AA. "Underground Storage Tank" means any stationary container or vessel, including the associated piping connected thereto, which is:

1. ten percent (10%) or more beneath the surface of the ground;
2. constructed primarily of non-earthen materials; and
3. designated to contain any substance.

IV. DEFENSE, SETTLEMENT AND INVESTIGATION

A. The Underwriters shall have the right and duty to defend, subject to the Limit of Liability, exclusions and other terms and conditions of this Policy, any **Claim** against the **Insured** seeking **Cleanup Costs** and/or **Damages** to which this Insurance applies, even if any of the allegations of the **Claim** are groundless, false or fraudulent.

B. The Limit of Liability available to pay **Damages** and **Cleanup Costs** shall be reduced and may be completely exhausted by payment of **Claims Expenses**. **Cleanup Costs**, **Damages** and **Claims Expenses** shall be applied against the Deductible.

C. The Underwriters shall have the right to make any investigation they deem necessary, including, without limitation, any investigation with respect to the **Application** and statements made in the **Application** and with respect to coverage.

D. If the **Insured** shall refuse to consent to any settlement or compromise of a **Claim** recommended by the Underwriters and acceptable to the claimant, the Underwriters' liability for any **Damages** and **Claims Expenses** associated with such **Claim** shall not exceed the amount for which the **Claim** could have been settled, less the remaining Deductible, plus the **Claims Expenses** incurred up to the time of such refusal, or the applicable Limit of Liability, whichever is less, and the Underwriters shall have the right to withdraw from the further defense thereof by tendering control of said defense to the **Insured**.

E. It is further provided that the Underwriters shall not be obligated to pay any **Cleanup Costs**, **Damages** or **Claims Expenses**, or to undertake or continue defense of any suit or proceeding after the applicable Limit of Liability has been exhausted by payment of **Cleanup Costs**, **Damages** and/or **Claims Expenses**.

V. **TERRITORY**

Subject to Clause III.R., this Policy applies to **Claims** made and **Pollution Conditions** arising anywhere in the world where permitted by applicable law.

VI. **EXCLUSIONS**

The coverage under this Insurance does not apply to **Damages** or **Claims Expenses** incurred in connection with or resulting from any **Claim**, or to any **Cleanup Costs**:

A. **Intentional Acts**

arising out of or resulting from any actual or alleged **Pollution Condition** that results from a **Responsible Insured's** intentional disregard of, or willful, deliberate, or dishonest non-compliance with, any statute, regulation, ordinance, administrative complaint, notice of violation, notice letter, order or instruction by or on behalf of any governmental agency or representative.

B. **Prior Knowledge**

arising out of or resulting from any actual or alleged **Pollution Condition** existing prior to the Inception Date stated in Item 2. of the Declarations and known by a **Responsible Insured**, except to the extent specifically disclosed in the **Application** for this Policy and not otherwise excluded by this Policy or an endorsement attached to this Policy. Any **Pollution Condition** disclosed and not otherwise excluded under this Policy or by endorsement shall be deemed to have been first discovered as of the date the **Covered Location** was added to this Policy.

C. **Insured versus Insured**

made by or on behalf of any **Insured** against any other person or entity who is also an **Insured**. This exclusion does not apply to:

1. **Claims** involving a **Named Insured** and any other person or entity who is also an **Insured**, in which the underlying action is initiated by a third party who is not an **Insured**, such as an action for contribution or cross claim; or
2. **Claims** that arise out of an indemnification given by one **Insured** to another **Insured** as specified in a contract that was submitted and approved by the Underwriters and attached to this Policy by endorsement, to the extent not otherwise excluded by this Policy.

D. Assumption of Contractual Liability of Others

arising out of or resulting from the liability of others assumed by the **Insured** under any contract or agreement either oral or written, including any hold harmless or indemnity agreements, except to the extent:

1. the **Insured** would have been liable in the absence of such contract or agreement; or
2. provided under contracts approved by the Underwriters and identified on a Schedule of Insured Contracts Endorsement attached to this Policy.

E. Asbestos / Lead-Based Paint

arising out of or resulting from asbestos or lead-based paint, or asbestos containing materials or lead-based paint in whatever form or quantity; provided, that this exclusion shall not apply to:

1. Insuring Clause I.A. or I.B. of this Policy to the extent of asbestos or lead-based paint, or any materials containing asbestos or lead-based paint, in soil or in any watercourse or body of water or in groundwater; or
2. Insuring Clause I.C. or I.D. of this Policy.

F. Employers Liability and Workers Compensation

for, arising out of or resulting from:

1. **Bodily Injury** to any employee of the **Named Insured** arising out of and in the course of:
 - a. employment by the **Named Insured**; or
 - b. performing duties related to the conduct of the **Named Insured's** business; or
2. **Bodily Injury** to any spouse (or person living together as spouse), child, parent, brother, sister or dependent of the employee as a consequence of 1. above; or

3. the **Named Insured's** employment obligations, decisions, practices or policies as an employer; or
4. any obligation for which the **Insured** or any carrier as insurer may be liable under any workers compensation, unemployment compensation or disability benefits law or similar law.

G. Products Liability

arising out of or resulting from any goods or products designed, manufactured, sold, handled, distributed, installed, altered or repaired by the **Insured**, or by others trading under the **Insured's** name, including any container thereof, any failure to warn, or any reliance upon a representation or warranty made at any time with respect thereto, but only to the extent the **Pollution Condition** took place away from a **Covered Location** and after physical possession of such goods or products has been relinquished by the **Insured** to others. This exclusion shall not apply to Insuring Clause I.C. of this Policy.

H. Property Damage to Named Insured's Property

for, arising out of or resulting from, any **Property Damage** to any property owned, leased or operated by, or in the care, custody or control of the **Named Insured**, even if such **Property Damage** is incurred to avoid or mitigate **Damages** or **Cleanup Costs** to which this Insurance applies.

I. Naturally Occurring Materials

arising out of or resulting from naturally occurring materials; however, this exclusion does not apply where naturally occurring materials are present at a **Covered Location** only because of human activities or processes, or where any response, removal, abatement or remediation of naturally occurring materials is required by order of a court or government agency.

J. New Pollution Conditions at Divested Property

arising out of or resulting from a **Pollution Condition** on, at, under or migrating from a **Covered Location**, where such **Pollution Condition** first commences after such **Covered Location** is sold, given away or abandoned by the **Insured** or condemned.

K. Aircraft, Auto or Watercraft

arising out of or resulting from the ownership, operation, maintenance, use, loading and unloading, or entrustment to others of any aircraft, automobile or watercraft beyond the boundaries of a **Covered Location**.

This exclusion shall not apply to Insuring Clause I.C. of this Policy.

L. **Material Change in Use of a Covered Location**

under Insuring Clause I.A. and I.B., arising out of a **Material Change In Use**.

M. **Failure to Maintain Institutional Controls or Engineering Controls**

arising out of or resulting from:

1. the failure to monitor, maintain or enforce the **Institutional Controls** or **Engineering Controls** for a **Covered Location**; or
2. the ongoing and necessary costs associated with monitoring, maintaining or enforcing the existing **Institutional Controls** or **Engineering Controls** in place on or before the Inception Date stated in Item 2. of the Declarations.

N. **Underground Storage Tank**

arising out of or resulting from the existence of any **Underground Storage Tank**. This exclusion shall not apply to:

1. an **Underground Storage Tank** at a **Covered Location** that is closed, abandoned in place or removed prior to the Inception Date stated in Item 2. of the Declarations, in accordance with all applicable federal, state, local or provincial regulations in effect at the time of closure, abandonment or removal;
2. an **Underground Storage Tank** that is identified as a **Covered Location** as specified in Item 9. of the Declarations;
3. an **Underground Storage Tank** at a **Covered Location**, the existence of which is not known to any **Responsible Insured** as of the Inception Date stated in Item 2. of the Declarations;
4. a flow-through process tank, including oil/water separators at a **Covered Location**; or
5. a storage tank situated in a man-made underground area (such as a basement, cellar, mine shaft or tunnel) at a **Covered Location** if the storage tank is situated upon or above the surface of the floor.

VII. LIMIT OF LIABILITY

- A. The Limit of Liability stated in Item 3.(a) of the Declarations for Each **Pollution Condition** is the limit of the Underwriters' liability for all **Cleanup Costs, Damages and Claims Expenses** arising out of each **Pollution Condition**.
- B. The Aggregate for the **Policy Period** stated in Item 3.(b) of the Declarations is the Underwriters combined total Limit of Liability for all **Cleanup Costs, Damages and Claims Expenses** arising out of all **Pollution Conditions**, which are covered under the terms and conditions of this Policy, and neither the inclusion of more than one **Insured** under this Policy, nor the making of **Claims** by more than one person or entity shall increase the Limit of Liability.
- C. The Limit of Liability for the **Extended Reporting Period** shall be part of and not be in addition to the Limit of Liability of the Underwriters for the **Policy Period**.

VIII. DEDUCTIBLE

- A. The Deductible stated in Item 4. of the Declarations applies separately to each **Pollution Condition**. One Deductible shall apply to all **Cleanup Costs, Damages and Claim Expenses** arising from the same, continuous, repeated or related **Pollution Conditions**. The Deductible shall be satisfied by monetary payments by the **Named Insured** of **Cleanup Costs, Damages and Claims Expenses** resulting from **Claims** first made against the **Insured and Pollution Conditions** first discovered by the **Insured** during the **Policy Period** and reported to the Underwriters pursuant to the terms of this Policy. The full payment of the Deductible amount is a condition precedent to the payment by the Underwriters of any amounts hereunder, and the Underwriters shall be liable only for the amounts in excess of the Deductible subject to the Underwriters total liability not exceeding the Limits of Liability stated in Items 3.(a) and 3.(b) of the Declarations. The **Named Insured** shall make direct payments within the Deductible to appropriate other parties designated by the Underwriters. The Deductible amount does not reduce the Limit of Liability.
- B. Any payments by the **Named Insured** in satisfaction of its deductible obligations under any other valid and collectible insurance shall not satisfy the Deductible under this Policy. Nor shall payments, costs or charges incurred without the Underwriters' consent (not to be unreasonably withheld) satisfy the Deductible under this Policy.

IX. NOTICE OF CLAIM AND DISCOVERY OF POLLUTION CONDITION

- A. With respect to Insuring Clause I.A.1., I.B.1., I.C. and I.D., if any **Claim** is made against an **Insured**, the **Insured** shall forward written notice as soon as practicable to the Underwriters but in no event shall such notice be provided after the expiration of the **Policy Period** or the time allowed, if applicable, under Section X. Notice shall be forwarded via facsimile, email or express or certified mail to the persons identified in Item 8.(a) of the Declarations. Such notice should include a copy of every demand, notice, summons or other process received by the **Insured** or the **Insured's** representative.
- B. With respect to Insuring Clause I.A.2. and I.B.2., the **Insured** shall forward written notice to the Underwriters as soon as practicable after a **Responsible Insured** becomes aware of any **Pollution Condition**, but in no event shall such notice be provided after the expiration of the **Policy Period** or the time allowed, if applicable, under section X. Notice shall be forwarded via facsimile, email or express or certified mail to the persons identified in Item 8.(a) of the Declarations.

Notice shall include, at a minimum, information sufficient to identify the **Named Insured**, the **Covered Location** affected, the names of persons with knowledge of the **Pollution Condition**, and all known and reasonably obtainable information regarding the time, place, cause, nature of and other circumstances of the **Pollution Condition**, and any resulting injuries or damages and remedial steps proposed to be undertaken by the **Insured**.

- C. A **Claim** or **Pollution Condition** shall be considered to be reported to the Underwriters when written notice is first received by any of the recipients identified in Item 8.(a) of the Declarations.

X. EXTENDED REPORTING PERIOD

- A. Automatic Extended Reporting Period
1. If this Policy is cancelled or non-renewed by the Underwriters or by the **Named Insured**, then the **Named Insured** shall have the right to an Automatic Extended Reporting Period, commencing on the last day of the **Policy Period**, with respect to:
 - a. any **Claim** first made against any **Insured** during the **Policy Period** and reported in writing to the Underwriters during the ninety (90) day Automatic Extended Reporting Period, and otherwise covered under this Policy;

- b. any **Claim** first made against any **Insured** during the ninety (90) day Automatic Extended Reporting Period, resulting from a **Pollution Condition** first discovered and reported in writing to the Underwriters during the **Policy Period**, and otherwise covered under this Policy;
- c. any **Pollution Condition** first discovered by any **Insured** during the **Policy Period** and reported in writing to the Underwriters during the Automatic Extended Reporting Period, and otherwise covered under this Policy.

The above Automatic Extended Reporting Period shall not apply if the **Insured** has purchased other insurance to replace the insurance provided under this Policy.

B. Optional Extended Reporting Period

1. If this Policy is cancelled or non-renewed by the Underwriters or by the **Named Insured**, then the **Named Insured** shall have the right, upon payment of an additional premium calculated at that percentage shown in Item 7.(a) of the Declarations of the total premium for this Policy, to an Optional Extended Reporting Period with respect to any **Claim** first made against any **Insured** and reported during the period of time set forth in Item 7.(b) of the Declarations following the end of the **Policy Period**, but only with respect to any **Pollution Condition** first discovered and reported in writing to the Underwriters during the **Policy Period**, which is otherwise covered by this Policy.
2. If the Optional Extended Reporting Period is purchased, the ninety (90) day Automatic Extended Reporting Period referred to in Clause X.A. above shall form part of, and not be in addition to the Optional Extended Reporting Period.
3. As a condition precedent to the right to purchase the Optional Extended Reporting Period, the total premium for this Policy must have been paid. The right to purchase such extension of coverage shall terminate unless written notice together with full payment of the premium for such extension of coverage is given to the Underwriters within sixty (60) days after the effective date of cancellation or non-renewal. If such notice and premium payment is not so given to the Underwriters, there shall be no right to purchase such extension of coverage.
4. In the event of the purchase of the Optional Extended Reporting Period, the entire premium for the Optional Extension Period shall be deemed earned at its commencement.

5. The exercise of the Optional Extended Reporting Period shall not in any way increase the Limits of Liability set forth in Item 3. of the Declarations.
6. The offer of renewal terms, conditions or premiums different from those in effect prior to renewal shall not constitute a refusal to renew for purposes of this Clause X.

XI. REPRESENTATIONS

By acceptance of this Policy, all **Insureds** agree that the statements contained in the **Application** are their agreements and representations, that they shall be deemed material to the risk assumed by the Underwriters, and that this Policy is issued in reliance upon the truth thereof.

This entire Policy shall be void if, whether before or after a **Claim** or **Pollution Condition** is first reported to the Underwriters, any Insured has concealed or misrepresented any fact or circumstance material to the granting of coverage under this Policy.

XII. OTHER INSURANCE

- A. Except as set forth in Clause XII.C. below, this Insurance is primary, and the Underwriters obligations are not affected unless any other insurance is also primary. In that case, the Underwriters will share with all such other insurance by the method described in Clause XII.C. below.
- B. When this Insurance is excess, the Underwriters will pay only its share of the amount of **Cleanup Costs, Damages** or **Claims Expenses**, if any, that exceeds the total amount of such other insurance.
- C. When both this Insurance and other insurance apply to **Cleanup Costs, Damages** or **Claims Expenses** on the same basis, whether primary or excess, the Underwriters shall not be liable under this Policy for a greater proportion of **Cleanup Costs, Damages** or **Claims Expenses** than the amount resulting from the following contribution methods, whichever is lesser:
 1. contribution by equal shares where each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the **Cleanup Costs, Damages** or **Claims Expenses** remains, whichever occurs first; or
 2. contribution by limits where each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

Where other insurance may be available for **Cleanup Costs, Damages or Claims Expenses** covered under this Insurance as noted above, the **Insured** shall promptly, upon request, provide the Underwriters with copies of all such policies.

XIII. ASSIGNMENT

The interest hereunder of any **Insured** is not assignable except with the prior written consent of the Underwriters, such consent not to be unreasonably withheld or delayed. If an **Insured** shall die or be adjudged incompetent, such insurance shall cover that **Insured's** legal representative to the extent that the **Insured** would be covered by this Policy.

XIV. CANCELLATION

This Insurance may be cancelled by the **Named Insured** by surrender of this Policy to the Underwriters or by mailing to the Underwriters written notice stating when thereafter cancellation shall be effective.

This Insurance may be cancelled by the Underwriters, by mailing the **Named Insured** at the address set forth in Item 1. of the Declarations, a notice stating when thereafter such cancellation shall be effective. The Underwriters may only cancel this Insurance for the following reasons:

1. material misrepresentation or fraud on the part of the **Named Insured** in the **Application**;
2. any **Insured's** material failure to comply with the terms, conditions or contractual obligations under this Policy, including the failure to pay any premium or Deductible when due; or
3. a **Material Change In Use**.

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 the Underwriters shall be the equivalent of mailing. Notice of pending cancellation will be provided not less than: (a) ninety (90) days prior to the effective date of cancellation 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 where there is a material change in the use of, or operations at, a **Covered Location**; (b) thirty (30) days prior to the effective date of cancellation for material misrepresentation or fraud; or (c) ten (10) days prior to the effective date of cancellation for non-payment of premium.

If the Underwriters 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, the return premium will be calculated in accordance with the customary short rate table and procedure.

XV. ASSISTANCE AND COOPERATION OF THE INSURED

The **Insured** shall cooperate with the Underwriters and offer all reasonable assistance in the investigation and defense of **Claims**, including investigations regarding the **Application** for and coverage under this Policy, and the inspection, cleanup and mitigation of **Pollution Conditions**.

The **Insured** shall execute or cause to be executed all papers and render all assistance as is reasonably requested by the Underwriters and related to the defense of **Claims** and the cleanup of **Pollution Conditions**. The Underwriters may require that the **Insured** submit to examination under oath, attend hearings, depositions and trials and assist in securing and giving evidence and obtaining the attendance of witnesses in connection with the defense of **Claims** and cleanup of **Pollution Conditions**. In the course of investigation or defense of **Claims**, the Underwriters may require written statements or the **Insured's** attendance at meetings with the Underwriters.

Upon the Underwriters request, the **Insured** shall assist in making settlements, in the conduct of suits and in enforcing any right of contribution or indemnity against any person or organization who may be liable to the **Insured** because of **Pollution Conditions** with respect to which coverage is afforded under this Policy.

Except as provided in Clause III.F.3, the **Insured** shall not admit liability, make any payment, assume any obligations, incur any expense (including, but not limited to, any **Claims Expenses** or **Cleanup Costs**), enter into any settlement, stipulate to any judgment or award or dispose of any **Claim** without the written consent of the Underwriters, such consent not to be unreasonably withheld or delayed. Except as provided for in Clause II.A., expenses incurred by the **Insured** in assisting and cooperating with the Underwriters, as described above, do not constitute **Claims Expenses** and are not reimbursable under this Policy.

XVI. ACTION AGAINST THE UNDERWRITERS

No action shall lie against the Underwriters unless, as a condition precedent thereto, the **Insured** shall have fully complied with all of the terms of this Policy, nor until the amount of the **Insured's** obligation to pay shall have been fully and finally determined either by judgment against them or by written agreement between them, the claimant and the Underwriters. Nothing contained herein shall give any person or organization any right to join the Underwriters as a party to any **Claim** against the **Insured** to determine their liability, nor shall the Underwriters be impleaded by the **Insureds** or their legal representative in any **Claim**.

XVII. SUBROGATION

In the event of any payment under this Insurance, the Underwriters shall be subrogated to all the **Insureds'** rights of recovery therefore against any person or organization, and the **Insured** shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The **Insured** shall do nothing to prejudice such rights. Any recoveries shall be applied first to subrogation expenses, second to the **Named Insured** to the extent of any payments in excess of the Limit of Liability, third to **Cleanup Costs, Damages** and **Claims Expenses** paid by the Underwriters, and fourth to the Deductible. Any additional amounts recovered shall be paid to the **Named Insured**.

XVIII. ENTIRE AGREEMENT

By acceptance of this Policy, all **Insureds** agree that this Policy embodies all agreements existing between them and the Underwriters relating to this Insurance. Notice to any agent or knowledge possessed by any agent or by any other person shall not effect a waiver or a change in any part of this Policy or estop the Underwriters from asserting any right under the terms of this Policy; nor shall the terms of this Policy be waived or changed, except by written endorsement issued to form a part of this Policy, signed by the Underwriters.

XIX. VALUATION AND CURRENCY

All premiums, limits, deductibles, **Cleanup Costs, Damages, Claims Expenses**, and other amounts under this Policy are expressed and payable in the currency of the United States. If judgment is rendered, settlement is denominated, or another element of **Damages** under this Policy is stated in a currency other than United States dollars or if **Cleanup Costs** or **Claims Expenses** are paid in a currency other than United States dollars, payment under this Policy shall be made in United States dollars at the rate of exchange published in the *Wall Street Journal* on the date on which a relevant final judgment becomes incapable of appeal or payment of the settlement or other element of **Damages** is due or the date such **Cleanup Costs** or **Claims Expenses** are paid.

XX. BANKRUPTCY

Bankruptcy or insolvency of the **Insured** shall not relieve the Underwriters of its obligations nor deprive the Underwriters of its rights or defenses under this Policy.

XXI. AUTHORIZATION

By acceptance of this Policy, the **Insureds** agree that the **Named Insured** will act on their behalf with respect to the giving and receiving of any notice provided for in this Policy, the payment of premiums and the receipt of any return premiums that may become due under this Policy, and the agreement to and acceptance of endorsements.

XXII. RIGHT OF ACCESS AND INSPECTION

The **Named Insured** agrees to provide the Underwriters with access to any information developed or discovered by an **Insured** concerning a **Claim** or **Pollution Condition** to which this Insurance applies, whether or not deemed by an **Insured** to be relevant and to provide the Underwriters with access to interview any **Insured** and review any documents of an **Insured**. Further, to the extent that an **Insured** has such rights, any of the Underwriters representatives shall have the right and opportunity but not the obligation to inspect at any reasonable time, during the **Policy Period** or thereafter, a **Covered Location** associated with a **Claim** or **Pollution Condition** reported to the Underwriters. Neither the Underwriters nor its representatives shall assume any responsibility or duty to the **Insured** or to any other person or entity, by reason of such right of inspection. Neither the Underwriters right to make inspections, sample and monitor, nor the actual undertaking thereof nor any report thereon shall constitute an undertaking on behalf of the **Insured** or others, to determine or warrant that the property or operations are safe, healthful or conform to acceptable engineering practices or are in compliance with any law, rule or regulation. The **Named Insured** agrees to provide appropriate personnel to assist the Underwriters representatives during any inspection.

XXIII. HEADINGS

The descriptions in the headings and subheadings of this Policy are solely for convenience, and form no part of the terms and conditions of coverage.

XXIV. SERVICE OF SUIT

It is agreed that in the event of the failure of the Underwriters to pay any amount claimed to be due under this Insurance, the Underwriters, at the request of the **Insured**, will submit to the jurisdiction of any court of competent jurisdiction within the United States. Nothing in this Clause constitutes or should be understood to constitute a waiver of the Underwriters' rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another Court as permitted by the laws of the United States or of any State in the United States. It is further agreed that service of process in such suit may be made upon Underwriters representative, designated in Item 11. of the Declarations, and that in any suit instituted against any one of them upon this contract, Underwriters will abide by the final decision of such Court or of any Appellate Court in the event of an appeal.

The Underwriters representative designated in Item 11. of the Declarations is authorized and directed to accept service of process on behalf of Underwriters in any such suit and/or upon the request of the **Insured** to give a written undertaking to the **Insured** that they will enter a general appearance upon Underwriters behalf in the event such a suit shall be instituted.

Further, pursuant to any statute of any state, territory or district of the United States which makes provision therefore, the Underwriters designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his or her successor in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the **Insured** or any beneficiary hereunder arising out of this contract of Insurance, and hereby designate the Underwriters representative, designated in Item 11. of the Declarations, as the person to whom the said officer is authorized to mail such process or a true copy thereof.

XXV. CHOICE OF LAW

Any disputes involving this Policy shall be resolved applying the law designated in Item 12. of the Declarations.

XXVI. SOLE AGENT

The **Named Insured** indicated in Item 1. of the Declarations shall act on behalf of all **Insureds** for all purposes, including but not limited to the payment of Deductible amounts, payment or return of premium, receipt and acceptance of any endorsement issued to form a part of this Policy, giving and receiving notice of cancellation or nonrenewal and the exercise of the rights stated in Clause X.

XXVII. SANCTION LIMITATIONS

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, law or regulations of the European Union, United Kingdom or United States of America.

XXVIII. SEVERABILITY OF INTEREST

Except with respect to the Limit of Liability, Clause XI. and any rights and duties assigned in this Policy to the **Named Insured**, this Insurance applies as if each **Insured** were the only **Insured** and separately to each **Insured** against whom a **Claim** is made.



Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the "Insurer" or the "Underwriters"

LLOYD'S SECURITY SCHEDULE

Syndicate 2623	82%
Syndicate 623	18%

ALL OTHER TERMS, conditions and limitations of said Certificate shall remain unchanged.

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>

NUCLEAR INCIDENT EXCLUSION CLAUSE-LIABILITY-DIRECT (BROAD) (U.S.A.)

This endorsement modifies insurance provided under the following:

BEAZLEY ECLIPSE

For attachment to insurances of the following classifications in the U.S.A., its Territories and Possessions, Puerto Rico and the Canal Zone:

Owners, Landlords and Tenants Liability, Contractual Liability, Elevator Liability, Owners or Contractors (including railroad) Protective Liability, Manufacturers and Contractors Liability, Product Liability, Professional and Malpractice Liability, Storekeepers Liability, Garage Liability, Automobile Liability (including Massachusetts Motor Vehicle or Garage Liability),

not being insurances of the classifications to which the Nuclear Incident Exclusion Clause-Liability-Direct (Limited) applies.

This Policy* does not apply:

- I. Under any Liability Coverage, to injury, sickness, disease, death or destruction:
 - (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 or Nuclear Insurance Association of Canada, 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 (1) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (2) 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.
- II. Under any Medical Payments Coverage, or under any Supplementary Payments Provision relating to immediate medical or surgical relief, to expenses incurred with respect to bodily injury, sickness, disease or death resulting from the hazardous properties of nuclear material and arising out of the operation of a nuclear facility by any person or organization.
- III. Under any Liability Coverage, to injury, sickness, disease, death or destruction resulting from the hazardous properties of nuclear material, if:
 - (a) the nuclear material (1) is at any nuclear facility owned by, or operated by or on behalf of, an insured or (2) 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

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- (c) the injury, sickness, disease, death or destruction 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 (c) applies only to injury to or destruction of property at such nuclear facility.

IV. As used in this endorsement:

"hazardous properties" include 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 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 material (1) containing by-product material and (2) resulting from the operation by any person or organization of any nuclear facility included within the definition of nuclear facility under paragraph (a) or (b) thereof;

"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. With respect to injury to or destruction of property, the word "injury" or "destruction" includes all forms of radioactive contamination of property.

It is understood and agreed that, except as specifically provided in the foregoing to the contrary, this clause is subject to the terms, exclusions, conditions and limitations of the Policy to which it is attached.

* NOTE: As respects policies which afford liability coverages and other forms of coverage in addition, the words underlined should be amended to designate the liability coverage to which this clause is to apply.

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NMA1256

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Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>

RADIOACTIVE CONTAMINATION EXCLUSION CLAUSE-LIABILITY-DIRECT (U.S.A.)

This endorsement modifies insurance provided under the following:

BEAZLEY ECLIPSE

For attachment (in addition to the appropriate Nuclear Incident Exclusion Clause-Liability-Direct) to liability insurances affording worldwide coverage.

In relation to liability arising outside the U.S.A., its Territories or Possessions, Puerto Rico or the Canal Zone, this Policy does not cover any liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.

13/2/64
NMA1477

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Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>

WAR AND TERRORISM EXCLUSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

BEAZLEY ECLIPSE

Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss;

1. war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or
2. any act of terrorism.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to 1 and/or 2 above.

If the Underwriters allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Assured.

In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

08/10/01
NMA2918

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Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the "Insurer" or the "Underwriters"

U.S. TERRORISM RISK INSURANCE ACT OF 2002 AS AMENDED
NEW & RENEWAL BUSINESS ENDORSEMENT

This endorsement modifies insurance provided under the following:

BEAZLEY ECLIPSE

This endorsement is issued in accordance with the terms and conditions of the "U.S. Terrorism Risk Insurance Act of 2002" as amended as summarized in the disclosure notice.

It is hereby noted and agreed with effect from inception that the Terrorism exclusion to which this Insurance is subject, War and Terrorism Exclusion Endorsement, shall not apply to any **Claims, Claims Expense or Cleanup Costs** directly resulting from any "act of terrorism" as defined in the "U.S. Terrorism Risk Insurance Act of 2002", as amended ("TRIA").

The coverage afforded by this endorsement is only in respect of any **Claims, Claims Expense and Cleanup Costs** of the type insured by this Insurance directly resulting from an "act of terrorism" as defined in TRIA. The coverage provided by this endorsement shall expire at 12:00 midnight December 31, 2020, the date on which the TRIA Program is scheduled to terminate, or the expiry date of the policy whichever occurs first, and shall not cover any losses or events which arise after the earlier of these dates. The Terrorism exclusion to which this Insurance is subject, War and Terrorism Exclusion Endorsement, applies in full force and effect to any other losses and any act or events that are not included in said definition of "act of terrorism".

This endorsement only affects the Terrorism exclusion to which this Insurance is subject. All other terms, conditions, insured coverage and exclusions of this Insurance including applicable limits and deductibles remain unchanged and apply in full force and effect to the coverage provided by this Insurance.

Furthermore the Underwriters will not be liable for any amounts for which they are not responsible under the terms of TRIA (including subsequent action of Congress pursuant to the Act) due to the application of any clause which results in a cap on the Underwriters liability for payment for terrorism losses.

All other terms, exclusions and conditions of the policy remain unchanged.

Authorized Representative

E06693
012015 ed.

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Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the "Insurer" or the "Underwriters"

U.S. TERRORISM RISK INSURANCE ACT OF 2002 AS AMENDED
NOT PURCHASED CLAUSE

This endorsement modifies insurance provided under the following:

BEAZLEY ECLIPSE

This Clause is issued in accordance with the terms and conditions of the "U.S. Terrorism Risk Insurance Act of 2002" as amended as summarized in the disclosure notice.

It is hereby noted that the Underwriters have made available coverage for **Claims, Claims Expense and Cleanup Costs** directly resulting from an "act of terrorism" as defined in the "U.S. Terrorism Risk Insurance Act of 2002", as amended ("TRIA") and the Insured has declined or not confirmed to purchase this coverage.

This Insurance therefore affords no coverage for **Claims, Claims Expense or Cleanup Costs** directly resulting from any "act of terrorism" as defined in TRIA except to the extent, if any, otherwise provided by this policy.

All other terms, conditions, insured coverage and exclusions of this Insurance including applicable limits and deductibles remain unchanged and apply in full force and effect to the coverage provided by this Insurance.

All other terms, exclusions and conditions of the policy remain unchanged.

Authorized Representative

E06694
012015 ed.

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**POLICYHOLDER DISCLOSURE NOTICE OF
TERRORISM INSURANCE COVERAGE**

You are hereby notified that under the Terrorism Risk Insurance Act of 2002, as amended ("TRIA"), that you now have a right to purchase insurance coverage for losses arising out of acts of terrorism, **as defined in Section 102(1) of the Act, as amended:** The term "act of terrorism" means any act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security 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. Any coverage you purchase for "acts of terrorism" shall expire at 12:00 midnight December 31, 2020, the date on which the TRIA Program is scheduled to terminate, or the expiry date of the policy whichever occurs first, and shall not cover any losses or events which arise after the earlier of these dates.

YOU SHOULD KNOW THAT COVERAGE PROVIDED BY THIS POLICY FOR LOSSES CAUSED BY CERTIFIED ACTS OF TERRORISM IS PARTIALLY REIMBURSED BY THE UNITED STATES UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THIS FORMULA, THE UNITED STATES PAYS 85% THROUGH 2015; 84% BEGINNING ON JANUARY 1, 2016; 83% BEGINNING ON JANUARY 1, 2017; 82% BEGINNING ON JANUARY 1, 2018; 81% BEGINNING ON JANUARY 1, 2019 AND 80% BEGINNING ON JANUARY 1, 2020; OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURER(S) PROVIDING THE COVERAGE. YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A USD100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS USD100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED USD100 BILLION, YOUR COVERAGE MAY BE REDUCED.

THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

<input type="checkbox"/>	I hereby elect to purchase coverage for acts of terrorism for a prospective premium of \$<Insert Terrorism Premium>.
<input type="checkbox"/>	I hereby elect to have coverage for acts of terrorism excluded from my policy. I understand that I will have no coverage for losses arising from acts of terrorism.

Policyholder/Applicant's Signature

<Insert Issuance Company>

Print Name

Policy Number

Date

(LMA 9104)

E06671
012015 ed.

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> referred to in this endorsement as either the "Insurer" or the "Underwriters"

DISCLOSED DOCUMENT SCHEDULE

This endorsement modifies insurance provided under the following:

**BEAZLEY "ECLIPSE"
ENVIRO COVERED LOCATION INSURANCE POLICY (SITE ENVIRONMENTAL)**

In consideration of the premium charged for the Policy, it is hereby understood and agreed that the following Schedule of Disclosed Documents is added to this Policy:

Schedule of Disclosed Documents

<Documents>

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

E05654
042014 ed.

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Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> referred to in this endorsement as either the "Insurer" or the "Underwriters"

MINIMUM EARNED PREMIUM

This endorsement modifies insurance provided under the following:

BEAZLEY ECLIPSE

In consideration of the premium charged for this Policy, it is hereby understood and agreed that in the event of cancellation by the Insured or cancellation by the Underwriters, this Policy shall be subject to a minimum earned premium of 100% of the amount shown in Item 5. of the Declarations.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

E09066
092016 ed.

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Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> referred to in this endorsement as either the "Insurer" or the "Underwriters"

LANDFILL COVERAGE RESTRICTIONS ENDORSEMENT

This endorsement modifies insurance provided under the following:

BEAZLEY ECLIPSE

In consideration of the premium charged for this Policy, it is hereby understood and agreed that:

1. Clause VI. **EXCLUSIONS** is amended by the addition of the following:

Closure Plan or Post-Closure Plan

arising out of or resulting from the installation, implementation, improvement, operation, maintenance, modification, replacement, repair, upgrade or requirements of any **Closure Plan or Post-closure Plan**.

Operation and Maintenance (O&M) of Control Costs

arising out of or resulting from any installation, implementation, improvement, operation, maintenance, modification, replacement, repair or upgrade of any preventive measure or pollution, institutional or engineering controls, including but not limited to landfill gas monitoring or collection systems, capping systems or leachate collection systems at, on or under or associated with the **Covered Location(s)**. However, this Exclusion shall not apply to **Bodily Injury or Property Damage**.

Groundwater and Surface Water Monitoring Costs

arising out of or resulting from any groundwater or surface water monitoring conducted at or beyond the boundary of any **Covered Location** unless such monitoring is implemented, in its entirety, for the physical removal, remediation or investigation associated with physical removal or remediation of a **Pollution Condition** to which this Policy otherwise responds. However, this Exclusion shall not apply to **Bodily Injury or Property Damage**.

Landfill Material

arising out of or resulting from the cost of removal of material placed in landfill cells located on or under a **Covered Location**.

2. Clause III. **DEFINITIONS** is amended by addition of:

"**Closure Plan or Post-Closure Plan**" means the written documents required by the Code of Federal Regulations, 40 CFR Parts 260 – 299, including any amendments, or by similar state laws and regulations, which require the partial or final closure or post-closure of a unit, cell, facility or location.

All other terms and conditions of this Policy remain unchanged.

E08782
072017 ed.

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Authorized Representative

E08782
072017 ed.

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Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> referred to in this endorsement as either the "Insurer" or the "Underwriters"

MATERIAL CHANGE IN USE EXCLUSION – COVERAGE FOR SPECIFIED USE

This endorsement modifies insurance provided under the following:

BEAZLEY ECLIPSE

In consideration of the premium charged for the Policy, it is hereby understood and agreed that Clause VI. EXCLUSIONS L. **Material Change in Use** is deleted in its entirety and replaced with the following:

L. Material Change in Use

under Insuring Clause I.A. and I.B., arising out of a material change in the use of, or operations at, a **Covered Location** from the use or operations identified by the Insured in the statements and information contained in the **Application** and other supplemental materials submitted to the Underwriters prior to the Inception Date of this **Policy Period** or prior to adding such location as a **Covered Location** as specified in Item 9. of the Declarations.

However, it is further understood and agreed that any material change in the use of, or operations at, a **Covered Location** that meets the criteria described below, will not constitute a material change in the use of, or operations at, a **Covered Location**:

Use Criteria

<Describe Allowable Use>

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

E05750
042014 ed.

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