

Form #CJ888 PSA (October 15, 2012)
Sudden and Accidental Pollution Endorsement

It is hereby understood and agreed:

With respect to the coverage provided in this Policy, the following terms and conditions **REPLACE** the Pollution Liability Exclusion found in Item 1 (Pollution Liability) of the Common Exclusions – COVERAGES A, B, C AND D section of this Policy:

1. Pollution Liability (Sudden and Accidental Exception)

- (a) "Bodily Injury" or "Property Damage" or "Personal and Advertising Injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, release or escape of "Pollutants":
 - (1) At or from any premises, site or location which is, or was at any time, owned, managed, rented to others or occupied by an Insured, or rented to an Insured;
 - (2) At or from any premises, site or location which is, or was at any time, used by or for an Insured or others for the handling, storage, disposal, processing or treatment of waste;
 - (3) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for an Insured or any person or organization for whom the Insured may be legally responsible; or
 - (4) At or from any premises, site or location on which an Insured or any contractors or sub-contractors working directly or indirectly on behalf of an Insured are performing operations:
 - (i) if the "Pollutants" are brought on or to the premises, site or location in connection with such operations; or
 - (ii) if the operations are to test for, monitor, "Clean Up", remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effect of "Pollutants".
- (b) Any loss, cost or expense arising out of any governmental direction or request that an Insured test for, monitor, "Clean Up", remove, contain, treat, detoxify or neutralize "Pollutants".
- (c) Fines, penalties, punitive or exemplary damages arising directly or indirectly out of the discharge, dispersal, release or escape of any "Pollutants".
- (d) Sub paragraphs (1) and (4) (i) of paragraph (a) of this exclusion do not apply to "Bodily Injury" or "Property Damage" caused by:
 - (1) heat, smoke or fumes from a "hostile fire". As used in this exclusion, a "hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
 - (2) An unexpected or unintentional discharge, dispersal, release or escape of "Pollutants", provided such discharge, dispersal, release, or escape of "Pollutants":
 - (i) results in the injurious presence of any "Pollutants" in or upon land, the atmosphere, drainage or sewage system, watercourse or body of water; and
 - (ii) is detected within 120 hours after the commencement of the discharge, dispersal, release or escape; and
 - (iii) is reported to the Insurer within 120 hours of being detected; and
 - (iv) does not occur in a quantity or with a quality that is routine or usual to the business of the Insured.

Subject to Limits of Insurance (Section III) of the Policy, the following Sudden and Accidental Pollution Limit, is the most the Insurer will pay under the coverage provide under Item d(2).

Sudden and Accidental Pollution Limit
\$ _____ per occurrence and in the aggregate

"Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

"Clean Up" means reasonable and necessary costs, charges, and expenses, including legal expenses with our written consent, incurred in the investigation, removal, neutralization, remediation, or immobilization of "pollutants" including associated monitoring or disposal of soil, surface water, groundwater or other contamination to the extent required by environmental law, or that have been incurred by the federal or any provincial, territorial or local government within Canada, or by third parties.

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