

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

POLLUTION LIABILITY COVERAGE

This endorsement modifies insurance provided under the following:

PROTECTION AND INDEMNITY COVERAGE FORM

SCHEDULE

Pollution Coverage Sub-Limit of Liability

\$_____ Combined Single Limit

COVERAGE

1. **Coverage** – “We” will pay the reasonable cost for the proper containment, clean up and resulting “property damage” caused by an oil pollution event for which “you” are legally responsible, caused by or resulting from an “occurrence” covered by this policy.
2. **Exclusions** - “We” will not pay for “property damage” or “bodily injury” caused by or resulting from an oil pollution event:
 - a. While “your” “vessel”. “boating equipment” or any other watercraft is on land; or
 - b. If any “insured” knows or has reason to know of an oil pollution event and fails to report it as required by law; or
 - c. That is sustained by any “insured” on the “insured’s” property; or
 - d. That causes natural resource damage unless legal action commences within one (1) year of the oil pollution event; or
 - e. If any “insured” does not provide all reasonable cooperation and assistance with containment and cleanup operations as required by law or by someone acting under their legal authority; or
 - f. Where there is any seepage from any mechanical equipment or from a manufacturer’s defect to “your” “vessel” or “boating equipment”; or
 - g. Where there is any seepage or discharge, continuous or intermittent, which occurs over a period of time that should have been discovered by the “insured”.
3. **Pollution Coverage Limit** – If any “insured” is held legally liable for “property damage” arising out of, or resulting from an oil pollution event, the most “we” will pay is the lowest amount of the following:
 - a. The amount necessary to satisfy “your” statutory requirement for pollution liability insurance as specified in the Oil Pollution Act of 1990 and any subsequent amendments; or
 - b. The damages for which any “insured” is legally liable; or
 - c. The Combined Single Limit for pollution coverage indicated in the Schedule above.

This is the most “we” will pay, regardless of the number of:

 - a. Persons qualifying as an “insured” under this form; or
 - b. Parties who sustain “property damage”; or
 - c. Claims made or suits brought; or
 - d. “Vessels” or “trailers” or premiums shown on the Declarations; or
 - e. “Vessels”, items of “boating equipment” or “trailers” involved in the oil pollution event; or
 - f. Policy periods involved.

4. **Pollution Coverage Aggregate Limit** – The maximum “we” will pay in any policy period, regardless of the number of oil pollution events, is the Combined Single Limit shown in the Schedule above.
5. **Erosion of P&I (CSL) Annual Aggregate Limit** – Payment of damages to which this endorsement applies shall reduce the P&I (CSL) Annual Aggregate “limit” shown on the Declarations, but at no time shall the P&I (CSL) Annual Aggregate “limit” be less than zero.
6. **Erosion of the Pollution Coverage Aggregate Limit** – Payment of damages under the Protection and Indemnity Coverage available under the coverage form to which this endorsement is attached shall erode the Combined Single Limit shown in the Schedule above, but at no time shall the Combined Single Limit shown in the Schedule above be less than zero.

For the purposes of this endorsement, oil pollution event means the sudden and accidental discharge, spillage or leakage of a “contaminant” from the “vessel” or “boating equipment” that is specific in place and time within the policy period.

All other terms and conditions of this policy remain unchanged.