



# Contractors Pollution Liability Insurance Policy

## Claims Made Coverage

This Policy is issued by the stock insurance company listed above (herein called the “Insurer”).

**THIS IS A CLAIMS MADE POLICY WHICH COVERS ONLY CLAIMS FIRST MADE AGAINST THE INSURED, AND REPORTED TO THE INSURER, IN WRITING, DURING THE POLICY PERIOD. PLEASE READ THIS POLICY CAREFULLY. SOME OF THE PROVISIONS CONTAINED IN THIS POLICY RESTRICT COVERAGE, SPECIFY WHAT IS AND IS NOT COVERED AND DESIGNATE RIGHTS AND DUTIES. LEGAL DEFENSE EXPENSES ARE SUBJECT TO AND WILL ERODE THE LIMITS OF LIABILITY AND ANY APPLICABLE SELF-INSURED RETENTION.**

Throughout this Policy the words “the Insurer” shall refer to the company providing this insurance. Other words and phrases that appear in quotation marks have special meanings and are defined in Section V. – Definitions.

In consideration of the payment of the Premium and in reliance upon all statements made in the Application including the information furnished in connection therewith, and subject to all terms, definitions, conditions, exclusions, and limitations of this Policy, the Insurer agrees to provide insurance coverage to the “insured” as described herein.

### I. INSURING AGREEMENTS

- A. To pay on behalf of the “insured” all “loss” incurred in excess of the “Self-Insured Retention” amount, shown in Item 5. of the Declarations, which the “insured” becomes legally obligated to pay, resulting from “claims” arising from “pollution conditions” resulting from “Covered Operations”.
- B. This insurance shall only apply if:
  - 1. The “claim” is first made against the “insured” and reported to the Insurer, in writing, during the “Policy Period”, or “extended reporting period”, if applicable; and
  - 2. The “Covered Operations” which result in a “claim” first commence on or after the Retroactive Date, if any, shown in Item 3. of the Declarations or before the end of the “Policy Period”. If no Retroactive Date is shown in the Declarations the “Covered Operations” must first commence during the “Policy Period”.

### II. LIMITS OF LIABILITY AND SELF-INSURED RETENTION

- A. It is expressly agreed that liability for any covered “claim”, including “legal defense expense”, shall attach to the Insurer only after the “insured” shall have paid, in the applicable legal currency, the full amount of the “Self-Insured Retention” shown in Item 5. of the Declarations for “loss” covered by this Policy. Under no circumstances shall the Insurer be liable to pay any amount within the “Self-Insured Retention”.
- B. The Aggregate Limit shown in Item 4.b. of the Declarations, shall be the maximum liability of the Insurer under this Policy with respect to all “loss” during the “Policy Period” irrespective of the time of payment by the Insurer.
- C. Subject to Paragraph B., above, the Per Claim Limit shown in Item 4.a. of the Declarations is the most the Insurer shall pay for all “loss” arising from the same or related “pollution condition”.

### III. DEFENSE AND SETTLEMENT

- A. The Insurer will have the right and the duty to defend the “insured” against a “claim” to which this insurance applies. However, such duty to defend ends once the applicable Limit of Liability is exhausted or is tendered into a court of applicable jurisdiction, or once the “insured” refuses a settlement offer as provided in Paragraph D., below.
- B. The Insurer will have the right, but not the duty, to select legal counsel for the investigation, adjustment, and defense of any “claim(s)” covered under this Policy, which will not be done without the consent of the “insured”.
- C. “Legal defense expense(s)” reduce the Limits of Liability shown in Item 4. of the Declarations and any applicable “Self-Insured Retention” shown in Item 5. of the Declarations.

- D. The Insurer will present all settlement offers to the “insured”. If the Insurer recommends a settlement which is acceptable to a claimant, exceeds any applicable “Self-Insured Retention”, and is within the Limits of Liability, and the “insured” refuses to consent to such settlement offer, then the Insurer’s duty to defend shall end. The “insured” shall defend such “claim” independently. The Insurer’s liability shall not exceed the amount for which the “claim” could have been settled had the Insurer’s recommendation been accepted, exclusive of the “Self-Insured Retention”.

#### IV. COVERAGE TERRITORY

This Policy shall afford coverage for “claims” arising from “Covered Operations” performed worldwide, provided that any legal action is initiated and any “claim” is made within the United States, including its territories and possessions, Puerto Rico and Canada. This Policy shall not afford coverage for any risk which would otherwise be in violation of the laws of the United States including, but not limited to, economic or trade sanction laws or export control laws administered by the United States Government.

#### V. DEFINITIONS

- A. “Bodily injury” means physical injury, illness, disease, mental anguish, or emotional distress, sustained by any person, including death resulting therefrom.
- B. “Claim” means the assertion of a legal right, including but not limited to suits or other actions, alleging responsibility on the part of the “insured” for “loss” arising out of “pollution conditions” to which this insurance applies.
- C. “Covered Operations” means those operations performed by or on behalf of the “Named Insured” specifically listed in Item 8. of the Declarations.
- D. “Emergency response” means actions taken, and reasonable “remediation costs” incurred by the “insured” to abate and/or respond to an imminent and substantial threat to human health or the environment arising from a “pollution condition”.
- E. “Environmental laws” means federal, state, provincial, municipal or other local laws, statutes, ordinances, regulations, and all amendments thereto, including state voluntary cleanup or risk-based corrective action guidance, governing the liability of the “insured” with respect to “pollution conditions”.
- F. “Extended reporting period” means the additional period of time in which to report a “claim” first made against the “insured” subsequent to the end of the “Policy Period” arising from a “pollution condition(s)” to which this insurance applies. Such “pollution condition(s)” must commence subsequent to any applicable Retroactive Date but before the end of the “Policy Period”.
- G. “Fungi” means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents, or byproducts produced or released by “fungi”.
- H. “Government action” means action taken or liability imposed by any federal, state, provincial, municipal or other local government agency or body acting with and under the authority of “environmental laws”.
- I. “Hostile acts” means:
1. Use or threat of force or violence; or
  2. The commission of or threat to commit a dangerous act; or
  3. Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; or
  4. Intimidation or coercion of a government or the civilian population or any segment thereof, or the disruption of the economy, or any segment of the economy; or
  5. The release of pathogenic or poisonous biological or chemical materials, if such release was intentionally caused.
- J. “Insured” means the “Named Insured”, and any additional “insured” specifically endorsed onto this Policy, and any director, officer, partner, or employee of the “Named Insured” while acting within the scope of his or her duties as such. “Insured” also means all clients of the “Named Insured”, but only when required by written contract or agreement and solely with respect to the “Covered Operation(s)” performed by or on behalf of the “Named Insured” for that client. “Insured” also means any “Named Insured” with regard to its participation in a joint venture, but solely

with respect to the "Named Insured's" liability arising from its performance of "Covered Operations" under the joint venture.

- K. "Insured Contract" means that part of any contract or agreement pertaining to "Covered Operations" whereby the "Named Insured" assumes the liability of another party to pay for "Bodily Injury", "Property Damage" or "Remediation Costs" to a third party or organization.
- L. "Legal defense expense" means reasonable legal costs, charges, and expenses, including expert charges, incurred by the "insured" in the investigation, adjustment, or defense of "claims" or suits.
- M. "Loss" means "bodily injury", "property damage", or "remediation costs" and related "legal defense expense".
- N. "Named Insured" means the person or entity shown in Item 1. of the Declarations.
- O. "Natural resource damage" means damages for, injury to, destruction of, or loss of, fish, wildlife, biota, land, air, water, ground water, drinking water supplies, and other similar resources belonging to, managed by, held in trust by, appertaining to, or otherwise controlled by the United States, any state or local government, any foreign government, or any Indian Tribe, including the reasonable costs of assessing such injury, destruction or loss resulting therefrom.
- P. "Policy Period" means the period shown in Item 2. of the Declarations, or any shorter period resulting from the cancellation of this Policy.
- Q. "Pollution condition" means the discovery, discharge, dispersal, release, escape, migration, or seepage of any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, soot, vapors, fumes, acids, alkalis, chemicals, "fungi", hazardous substances, hazardous materials, or waste materials, on, in, into, or upon land and structures thereupon, the atmosphere, surface water or groundwater.
- R. "Property damage" means any of the following which arise from the performance of "Covered Operations":
  - 1. Physical injury to tangible property, including all resulting loss of use of that property;
  - 2. Loss of use of tangible property that is not physically injured;
  - 3. Diminished value of property owned by third parties; and
  - 4. "Natural resource damages".
- S. "Remediation costs" means reasonable expenses incurred to investigate, quantify, monitor, abate, remove, dispose, treat, neutralize, and/or immobilize "pollution conditions" which arise from the performance of "Covered Operations", to the extent required by "environmental laws". "Remediation costs" shall also include:
  - 1. Reasonable legal cost, where such cost has been incurred with the prior written consent of the Insurer; and
  - 2. "Replacement costs".
- T. "Replacement costs" means those expenses necessarily incurred by the "insured" to repair or replace real property or physical improvements thereto damaged during the course of responding to a "pollution condition". "Replacement costs" do not include costs associated with improvements or betterments.
- U. "Responsible insured" means any employee of the "Named Insured" responsible for environmental affairs, control, or compliance of a "Covered Operation", or any officer, director, or partner of the "Named Insured".
- V. "Self-Insured Retention" means the "Self-Insured Retention" amount shown in Item 5. of the Declarations.
- W. "War" means:
  - 1. "War", including undeclared or civil war; or
  - 2. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
  - 3. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

## VI. EXCLUSIONS

This insurance does not apply to:

### A. Contractual Liability

“Claims” arising out of any liability of others assumed by the “Insured” through contract or agreement. This exclusion does not apply to:

1. Liability that would have otherwise attached to the “Insured” in the absence of the contract or agreement.
2. Liability assumed in an “Insured Contract” provided that the “Bodily Injury”, “Property Damage” or “Remediation Costs” occur subsequent to the execution of the “Insured Contract” and do not rise due to the sole negligence of the indemnitee.
3. Liability arising from “Covered Operations” performed by subcontractors of the “Named Insured”, provided such liability is assumed by the “Named Insured” in a written contract or agreement with its indemnitee for such operations and the “Bodily Injury”, “Property Damage” or “Remediation Costs” occur subsequent to the execution of the contract or agreement.

**B. Employer's Liability**

“Bodily injury” to:

1. An “insured” or an employee of its parent, subsidiary or affiliate:
  - a. Arising out of and in the course of employment by the “insured” or its parent, subsidiary or affiliate; or
  - b. While performing duties related to the conduct of the “insured's” business.
2. The spouse, child, parent, brother or sister of such “insured” or employee of its parent, subsidiary or affiliate as a consequence of Paragraph 1. above.

This exclusion applies:

1. Whether the “insured” may be liable as an employer or in any other capacity; and
2. To any obligation to share damages with or repay someone else who must pay damages because of such “bodily injury”.

This exclusion does not apply to liability assumed by the “Named Insured” under an “Insured Contract”.

**C. Fines and Penalties**

“Claims” seeking payment of fines, penalties, punitive, exemplary or multiplied damages, or injunctive relief based upon or arising out of any “insured's” knowing, willful or deliberate noncompliance with any statute, regulation, ordinance or administrative complaint. This exclusion also applies to any legal costs associated with such fines and penalties.

**D. Insured's Internal Expenses**

“Claims” arising from expenses incurred by the “insured” for services performed by the salaried staff and employees of the “insured”.

**E. Insured's Property**

“Claims” arising from the “insured's” ownership, rental, lease, maintenance, operation, use, repair, voluntary or involuntary sale, transfer, exchange, gift, abandonment, or condemnation of real or personal property. This exclusion does not apply to any “claim” arising from property rented or leased by the “Named Insured” during the course of performing “Covered Operations” for parties other than the “Named Insured”.

**F. Intentional Acts**

“Claims” based upon or arising from any acts of the “insured” which are based upon or otherwise attributed to the “insured's” dishonest, intentional, fraudulent, malicious, deliberate or knowingly wrongful act or non-compliance with any statute, regulation, ordinance, administrative complaint, notice of violation, notice letter, executive order, or instruction of any governmental agency or body. This exclusion shall not apply to any “insured” that did not personally acquiesce in or remain passive after having personal knowledge of one or more of the acts described above.

**G. Known Conditions**

“Claims” arising out of “pollution conditions” existing prior to the “Policy Period” caused by operations performed by or on behalf on the “Named Insured”, or arising out of any resumption, change or continuation of such

“pollution conditions”, if any “responsible insured” knew or reasonably could have foreseen prior to the “Policy Period” that such “pollution conditions” could give rise to a “claim”.

#### H. Lead Based Paint and Asbestos

“Claims” arising from or in any way related to the presence or dispersal of lead based paint or asbestos or asbestos containing materials. This exclusion shall not apply to the following:

1. Abatement work performed on behalf of the “Named Insured” by a certified and insured abatement subcontractor.
2. The inadvertent disturbance of lead based paint and / or asbestos containing materials during the course of performing “Covered Operations” as outlined in the declarations page of this policy.

#### I. Non-Owned Disposal Sites

“Claims” arising from “pollution conditions” on, at, or migrating from a site that receives or has received waste materials from the “insured”, or any sub-contractor of the “insured”, including waste materials from the “insured’s” “Covered Operations”. This exclusion will not apply if the “insured’s” “Covered Operations” include waste handling and disposal, but only with respect to non-owned disposal sites specifically identified, by endorsement hereto, and listed in the Non-Owned Disposal Site(s) Schedule, if applicable.

#### J. Nuclear Hazard

1. To “Claims”:
  - a. With respect to which the “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 limits 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.
2. 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 the “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 the “insured”; or
  - c. The “bodily injury” or “property damage” arises out of the furnishing by the “insured” of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any nuclear facility, located within the United States of America, its territories or possessions or Canada.
3. As used in this exclusion:
  - a. Hazardous properties include radioactive, toxic, or explosive properties.
  - b. Nuclear material means source material, special nuclear material, or byproduct material.
  - c. Source material, special nuclear material, and byproduct material have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.
  - d. Spent fuel means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a nuclear reactor.
  - e. Waste means any waste material:

- (1) Containing byproduct material other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its source material content; and
- (2) Resulting from the operation by any person or organization of any nuclear facility included under the first two paragraphs of the definition of nuclear facility;

**f. Nuclear facility means:**

- (1) Any nuclear reactor;
- (2) Any equipment or device designed or used for
  - (a) Separating the isotopes of uranium or plutonium;
  - (b) Processing or utilizing spent fuel; or
  - (c) Handling, processing or packaging waste;
- (3) 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;
- (4) Any structure, basin, excavation, premises, or place prepared or used for the storage or disposal of waste;
- (5) The site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

**g. 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.**

**h. "Property damage" includes all forms of radioactive contamination of property.**

**K. Products Liability**

"Claims" arising out of any goods or products manufactured, sold, or distributed by the "insured".

**L. Professional Liability**

"Claims" arising from or in any way related to the "insured's" rendering of or failure to render professional services, including, but not limited to, recommendations, opinions, and strategies rendered for architectural, consulting, design and engineering work, such as drawings, designs, maps, reports, surveys, change orders, plan specifications, assessment work, remedy selection, site maintenance, equipment selection, and related construction management, supervisory, inspection or engineering services. This exclusion shall not apply to "Pollution Conditions" that arise as a result of "Covered Operations" performed by or on behalf of the "Named Insured".

**M. Vehicles**

"Claims" arising from the use, maintenance or operation, , of an automobile, aircraft, watercraft, or other conveyance. This exclusion does not apply to the use of vehicles reasonably related to the "Covered Operations" of the "insured" including loading and unloading within the boundaries of the locations where "Covered Operations" are being performed.

**N. War or Hostile Acts**

"Claims" based upon, arising out of, or attributable to, whether directly or indirectly, any acts that involve, or that involve preparation for, "war" or "hostile acts" regardless of any other cause or event that contributes concurrently or in any sequence to the injury or damage.

**O. Workers' Compensation**

"Claims" arising under the Jones Act or under any workers' compensation, unemployment compensation, or disability benefits law or related laws.

**VII. REPORTING AND COOPERATION**

- A. The “insured” must provide the Insurer with prompt written notice of any “claim” under this Policy to the address shown in Item **7.a.** of the Declarations. Notice should include reasonably detailed information as to:
  - 1. The identity of the “insured”;
  - 2. The “Covered Operations”;
  - 3. The location of the “pollution conditions”;
  - 4. The nature of the “claim”; and
  - 5. The steps undertaken by the “insured” to respond to the “claim”.
- B. The “insured” must:
  - 1. Immediately send the Insurer copies of any demands, notices, summonses or legal papers received in connection with any “claim”;
  - 2. Authorize the Insurer to obtain records and other information;
  - 3. Cooperate with the Insurer in the investigation, settlement or defense of the “claim”;
  - 4. Assist the Insurer, upon the Insurer's request, in the enforcement of any right against any person or organization which may be liable to the “insured” because of “loss” to which this Policy may also apply;
  - 5. Provide the Insurer with such information and cooperation as the Insurer may reasonably require.
- C. No “insured” shall make or authorize an admission of liability or attempt to settle or otherwise dispose of any “claim” without the written consent of the Insurer. Nor shall the “insured” incur any “remediation costs” without the express prior written consent of the Insurer, except in the event of an “emergency response”.
- D. In the event of a “pollution condition”:
  - 1. The “insured” shall make every attempt to mitigate any “loss”, comply with applicable “environmental laws” and retain qualified contractors or consultants to accomplish such mitigation and compliance.
  - 2. The Insurer shall have an opportunity to participate in the selection, retention, and oversight of any contractors or consultants. The Insurer shall have the right, but not the duty, to mitigate such “pollution conditions” if, in the sole judgment of the Insurer, the “insured” fails to take reasonable steps to do so. Any “remediation costs” incurred by the Insurer shall be deemed incurred by the “insured”, and shall be subject to the “Self-Insured Retention” and Limits of Liability listed in the Declarations.

#### **VIII. EXTENDED REPORTING PERIOD**

- A. The “Named Insured” shall be entitled to a basic “extended reporting period”, and may purchase an optional supplemental “extended reporting period”, following Cancellation, as described in Paragraph **A.** of Section **IX.** General Conditions, or nonrenewal.
- B. “Extended reporting periods” shall not reinstate or increase any of the Limits of Liability. “Extended reporting periods” shall not extend the “Policy Period” or change the scope of coverage provided. A “claim” first made and reported to the Insurer within the basic “extended reporting period” or supplemental “extended reporting period”, whichever is applicable, will be deemed to have been made on the last day of the “Policy Period”.
- C. Provided the “Named Insured” has not purchased any other insurance to replace this insurance, the “Named Insured” shall have a sixty (60) day basic “extended reporting period” without additional charge.
- D. The “Named Insured” shall be entitled to purchase a supplemental “extended reporting period” of up to thirty-four (34) months for not more than 200% of the full Policy Premium shown in Item **6.** of the Declarations. Such supplemental “extended reporting period” starts when the basic “extended reporting period” ends. The Insurer will issue an endorsement providing the supplemental “extended reporting period” provided that the “Named Insured”:
  - 1. Makes a written request to the address shown in item **7.b.** of the Declarations for such endorsement which we receive prior to the expiration of the “Policy Period”; and
  - 2. Pays the additional Premium when due. If that additional Premium is paid when due, the supplemental “extended reporting period” may not be cancelled, provided that all other terms and conditions of the Policy are met.

## **IX. GENERAL CONDITIONS**

### **A. Cancellation**

1. This Policy may be cancelled by the "Named Insured" by mailing to the Insurer, or through the "insured's" agent, written notice to the address shown in Item **7.b.** of the Declarations, stating when such cancellation shall be effective.
2. This Policy may be cancelled by the Insurer for the following reasons:
  - a. Non-payment of Premium;
  - b. Fraud or misrepresentation on the part of the "insured";
  - c. Material change in the "Covered Operations" from the description identified in the Application and supporting materials which results in a materially increased likelihood of "claims" or "pollution conditions";by mailing to the "Named Insured" at the "Named Insured's" last known address, written notice stating when, not less than sixty (60) days thereafter, fifteen (15) days if cancellation is for non-payment of any unpaid portion of the Premium, such cancellation shall be effective. The mailing of notice shall be sufficient proof of notice. The effective date and hour of cancellation stated in the notice shall be the end of the "Policy Period".

### **B. Inspection and Audit**

To the extent of the "insured's" ability to provide such access, and with reasonable notice to the "insured", the Insurer shall be permitted, but not obligated, to inspect the "insured's" property and/or operations. Neither the Insurer's right to make inspections nor the making thereof nor any report thereon shall constitute an undertaking, on behalf of or for the benefit of the "insured" or others, to determine or warrant that such property or operations are safe or in compliance with "environmental law", or any other law.

The Insurer may examine and audit the "insured's" books and records during this "Policy Period" and extensions thereof and within three (3) years after the final termination of this Policy.

### **C. Legal Action Against the Insurer**

No person or organization has a right under this Policy:

1. To join the Insurer as a party or otherwise bring the Insurer into a suit against any "insured"; or
2. To sue the Insurer in connection with this insurance unless all of the Policy terms have been fully complied with.

A person or organization may sue the Insurer to recover after an agreed settlement or on a final judgment against an "insured". However, the Insurer will not be liable for amounts that are not payable under the terms of this Policy or that are in excess of the applicable Limit of Liability. An agreed settlement means a settlement and release of liability signed by the Insurer, the "insured" and the claimant or the claimant's legal representative.

### **D. Bankruptcy**

Bankruptcy or insolvency of the "insured" or of the "insured's" estate shall not relieve the Insurer of any of its obligations hereunder.

### **E. Subrogation**

In the event of any payment under this Policy by the Insurer, the Insurer shall be subrogated to all of the "insured's" rights of recovery 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 after a "loss" to prejudice such rights.

### **F. Representations**

By accepting this Policy, each "insured" agrees that:

1. The statements in the Declarations, Schedules, and Application for this Policy are accurate and complete;
2. Those statements are based upon representations the "insured" made to the Insurer; and
3. This Policy has been issued in reliance upon the "insured's" representations.

### **G. Severability**

Except with respect to the Limits of Liability listed in the Declarations, this Policy applies:

1. As if each "insured" were the only "insured";
2. Separately to each "insured" against whom a "claim" is made.

**H. Other Insurance**

If other valid and collectible insurance is available to the "insured" covering a "loss" also covered by this Policy, other than a policy that is specifically written to apply in excess of this Policy, the insurance afforded by this Policy shall apply in excess of and shall not contribute with such other insurance.

**I. Sole Agent**

The "Named Insured" shown in Item 1. of the Declarations shall serve as the sole agent of the "insureds" with respect to the return or payment of any Premiums or retained amounts, as well as for any notices required by this Policy.

**J. Jurisdiction and Venue**

It is agreed that in the event of the failure of the Insurer to pay any amount claimed to be due hereunder, the Insurer and the "insured" will submit to the jurisdiction of the State of New York and will comply with all requirements necessary to give such court jurisdiction. Nothing in this clause constitutes or should be understood to constitute a waiver of the Insurer's right to remove an action to a United States District Court.

**K. Choice of Law**

All matters arising hereunder including questions relating to the validity, interpretation, performance, and enforcement of this Policy shall be determined in accordance with the law and practices of the State of New York.

**L. Changes and Assignment**

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

**M. Headings**

The descriptions in the headings and sub-headings of this Policy are inserted solely for convenience and do not constitute any part of the terms or conditions hereof.