

Endorsement #

Fungus Coverage – Incidental Exposure
COVERAGE PART TWO – CONTRACTORS POLLUTION LIABILITY and/or
COVERAGE PART THREE – PROFESSIONAL LIABILITY



Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.

Named Insured and Mailing Address:

Producer:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Environmental Services Package Policy

COVERAGE PART TWO: CONTRACTOR'S POLLUTION LIABILITY

COVERAGE PART THREE: PROFESSIONAL LIABILITY

This endorsement provides coverage for “claims” for “loss” or “damages” caused by “fungus(i)” or “spores” on a claims made basis and is therefore, subject to requirements that are different from those of COVERAGE PART TWO of the policy. This claims made coverage requires that “claims” for “loss” or “damages” caused by “fungus(i)” or “spores” must first be made against an “insured” during the “policy period” and reported, in writing, to us during the “policy period,” the automatic extended reporting period or the extended reporting period, if applicable.

In consideration of the payment of the premium and the deductible by you and in the reliance upon the statements in the Application made a part hereof, we agree with you, subject to all the terms, exclusions and conditions of the policy, and the terms and conditions of this endorsement, and with respect to the coverage part(s) indicated by a designation in the box next to the applicable coverage above that the following changes shall apply.

To the extent that the terms of this endorsement may conflict with any term of the policy, including the fungus exclusion, the terms of this endorsement shall supercede with respect to all “claims” for “loss” or “damages” caused by “fungus(i)” or “spores” provided coverage by this endorsement.

THE FOLLOWING MODIFICATIONS SHALL APPLY TO THE POLICY WITH RESPECT TO COVERAGE PROVIDED BY THIS ENDORSEMENT ONLY.

I. Insuring Agreement (Section I.) in COVERAGE PART TWO - CONTRACTOR'S POLLUTION LIABILITY shall be deleted and replaced by the following:

We will pay on behalf of an “insured” any “loss” an “insured” is legally obligated to pay as a result of “claims” arising out of “fungus(i)” or “spores” caused by a “pollution event” that is the direct result of your performance of “covered operations,” and “completed operations” of the “covered operations,” described in the Covered Operations and Retroactive Dates for Fungus Coverage endorsement attached to this policy and the “claim” is first made against the “insured” during the “policy period,” the automatic extended reporting period or the extended reporting period, if applicable.

We shall have the right and duty to assume the adjustment, defense and settlement of any “claim” to which this insurance applies. “Claim expense” reduces the applicable Limits of Insurance set out in the Declarations and by this endorsement.

Our duty to adjust, defend and settle all “claims” to which this insurance applies, pending and future, ends when we have used up the applicable Limits of Insurance in the payment of judgements, settlements, “claims,” “losses,” “damages” or “claim expenses” collectively under any/or all coverages provided by this policy.

- II.** Insuring Agreement (Section I.) in COVERAGE PART THREE - PROFESSIONAL LIABILITY shall be amended by the addition of the following:

With respect to “claims” for “damages” caused by “fungus(i)” or “spores” it is a condition precedent to coverage that “damages” must be the direct result of an act, error or omission in your rendering of or the failure to render “professional services.”

- III.** Item 4., Limits of Insurance of the policy Declarations shall be amended to add the following Fungus/Spore Sub-Limit of Insurance and Fungus/Spore Aggregate Sub-Limit of Insurance:

\$ Fungus/Spore Sub-Limit of Insurance

\$ Fungus/Spore Aggregate Sub-Limit Limit of Insurance.

- IV.** Item 5., Deductible of the policy Declarations is deleted and replaced by the following:

Item 5. Deductible: \$

- V.** Exclusions (Section II.) in COVERAGE PART TWO - CONTRACTOR’S POLLUTION LIABILITY shall be amended by the addition of the following exclusion:

Fungus or Mold Remediation Operations

Any “fungus” or mold remediation operations even if such operations are listed in the application or as “covered operations” in the policy.

- VI.** Exclusions (Section II.) in COVERAGE PART THREE - PROFESSIONAL LIABILITY shall be amended by the addition of the following exclusion:

Fungus or Mold Professional Services

Any “professional services” that are in support of “fungus” or mold services even if such services are listed in the application or as covered “professional services” in the policy.

- VII.** Extended Reporting Period – applicable to COVERAGE PART THREE only (Section II.) in the COMMON COVERAGE PROVISIONS is deleted and replaced by the following:

Section II. Extended Reporting Period – applicable to COVERAGE PART TWO and COVERAGE PART THREE

1. You shall be entitled to an automatic extended reporting period without additional charge upon termination of coverage as defined in this section. This period starts at the end of the “policy period” and lasts for thirty days.
2. In addition to the automatic extended reporting period you shall be entitled to purchase an extended reporting period of up to twelve months in duration, except in the event of nonpayment of premium. The extended reporting period of up to twelve months in duration starts when the automatic extended reporting period set forth in the above paragraph ends.
3. Upon payment of such additional premium we shall issue an endorsement providing for an extended reporting period of up to twelve months in duration provided that you:
 - a. Make a written request for such endorsement which we receive within thirty days after termination of coverage as defined herein; and
 - b. Pay the additional premium when due. If such additional premium is paid when due, the extended reporting period may not be canceled by us provided that all other terms and conditions of the policy are met.
4. The “claim” first reported within the automatic extended reporting period and the Extended Reporting Period endorsement, if purchased in accordance with this section, shall be deemed to have been made on the last day of the “policy period,” provided that the “claim” arises from:
 - a. Under COVERAGE PART TWO – CONTRACTOR’S POLLUTION LIABILITY, a “pollution event” resulting from “covered operations” or “completed operations” of the “covered operations”; or

- b. Under COVERAGE PART THREE – PROFESSIONAL LIABILITY, an act, error or omission in the performance of or failure to perform “professional services”; and

The “covered operations” or the “professional services” commenced on or after the “retroactive date” and before the end of the “policy period.”

- 5. For the purposes of this automatic extended reporting period, and Extended Reporting Period endorsement, termination of coverage means any cancellation or non-renewal of this policy except a material change in the nature or extent of the risk or nonpayment of premium.
- 6. If the automatic extended reporting period or the Extended Reporting Period endorsement is in effect, we will provide the Fungus/Spore Sub-Limit of Insurance subject to that which is remaining in the Fungus/Spore Aggregate Sub-Limit of Insurance shown in this endorsement, but only for “claims” first reported to us pursuant to the policy during the automatic extended reporting period or the Extended Reporting Period endorsement. The purchase of an extended reporting period does not reinstate or increase the Limits of Insurance shown in this endorsement and the Declarations.
- 7. Notwithstanding Conditions (Section V.) in the COMMON COVERAGE PROVISIONS, Condition 8., Other Insurance, the insurance afforded for “claims” first reported during the automatic extended reporting period and Extended Reporting Period endorsement is excess over any other valid and collectible insurance available under policies in force during the automatic extended reporting period and the Extended Reporting Period endorsement.

VIII. Limits of Insurance and Deductible (Section III.) in the COMMON COVERAGE PROVISIONS shall be amended by:

A. Deleting paragraph 10.b., and replacing with the following:

- b. Under COVERAGE PART TWO, any “claim”; any “loss”; any “bodily injury”; any “property damage”; and/or any related “claim expense” which takes place over two or more “policy periods,” or are interrelated, associated, repeated or continuous, shall be subject to one Limit of Insurance and one Deductible as stated in the Declarations. All such “claims” for “loss” and/or related “claim expense,” whenever made, shall be considered first made on the date on which the earliest “claim” was reported to you and the Limits of Insurance applicable to that “policy period” shall apply.

B. Deleting paragraph 11. and replacing it with the following:

- 11. Under COVERAGE PART TWO and COVERAGE PART THREE, “claims” against the insured arising from an incident or circumstance reported to us, pursuant to Claim Provisions (Section IV.) in the COMMON COVERAGE PROVISIONS, in a subsequent uninterrupted renewal “policy period” shall be subject to the Each Incident and Policy Aggregate Limit of Insurance applicable to the “policy period” in effect when the incident or circumstance was reported to us.

C. Deleting paragraph 12. and replacing it with the following:

- 11. Under COVERAGE PART TWO and COVERAGE PART THREE, The automatic extended reporting period and the extended reporting period, if purchased by you, shall not serve to increase or reinstate the Limits of Insurance set out in the Declarations to the policy. The Limits of Insurance shall be that which remain at the end of the “policy period.”

D. Add the following paragraphs:

- 14. Subject to 2. above, the Fungus/Spore Aggregate Sub-Limit of Insurance shown in this endorsement is the most we will pay under COVERAGE PART TWO and/or COVERAGE PART THREE for all “claims” for “losses” and/or “damages,” including related “claims expense,” provided coverage under the terms of this endorsement. When the Fungus/Spore Sub-Limit Aggregate is exhausted by any combination of payment for “claims,” “losses” or “damages” covered under this endorsement, or the Policy Aggregate Limit is exhausted, our obligations under this endorsement shall end.
- 15. Subject to 5. above, the Fungus/Spore Sub-Limit of Insurance shown in this endorsement is the most we will pay under COVERAGE PART TWO and/or COVERAGE PART THREE for “claims” for “losses” and/or “damages,” including related “claims expense,” provided coverage under the terms of this endorsement.

IX. Definitions (Section VII.) in the COMMON COVERAGE PROVISIONS shall be amended as follows:

- A.** Definition 27., “pollution event,” and definition 31., “retroactive date,” shall be deleted and replaced with the following:

- 27. "Pollution event" means the discharge, dispersal, release, or escape of any solid, liquid, gaseous or thermal irritant, contaminant or pollutant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, waste, "fungus(i)" or "spore(s)."
- 30. "Retroactive date" means the date set forth in the Declarations, or attached endorsement, and the earliest date a "covered operation" or "professional service" can commence for coverage to be provided under this policy.

B. The following definitions are added:

"Fungus(i)" shall mean:

- 1. Any "fungus(i)" or "spore(s)," or
- 2. Any substance, vapor or gas produced by or arising out of any "fungus(i)" or "spore(s)."

"Fungus(i)" includes, but is not limited to:

- a. Any form or type of mold, mushroom or mildew;
- b. Any other fungal structure; and
- c. Any volatile organic compounds, mycotoxins, allergenic proteins or other substances or gases produced by or arising out of any mold, mushroom, mildew, fungal structure or "spores."

"Spore(s)" means any reproductive body produced by or arising out of any "fungus(i)."

ALL OTHER TERMS AND CONDITIONS OF THE POLICY SHALL APPLY AND REMAIN UNCHANGED.

The Named Insured's signature below indicates consent to be bound by the terms of this endorsement.

 Authorized Representative of the Named Insured

 Date

Signed by: _____
 Authorized Representative

 Date