

**ENDORSEMENT NO.**

This endorsement, effective 12:01 AM,

Forms a part of Policy No:

Issued to:

By:

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**WORLDWIDE TERRITORY - CLAIMS IN UNITED STATES OR CANADA - OTHER INSURANCE AND  
EXCLUSION FOR COVERED OPERATIONS INSURED UNDER A SEPARATE PROJECT  
SPECIFIC POLICY ENDORSEMENT**

It is hereby agreed that:

1. Section **VI. CONDITIONS**, Paragraph **Q. TERRITORY** is deleted in its entirety and replaced with the following:

**Q. TERRITORY**

1. The insurance provided by this Policy shall only apply to **Loss** arising from **Covered Operations**:

- a. That takes place and results in **Claims** made and reported within the United States, its territories or possessions, or Canada; or
- b. Associated with **Emergency Response Costs** incurred in the United States, its territories or possessions, or Canada, its provinces or territories; or
- c. That take place anywhere in the world, and result in **Claims** reported to the Company within the United States, its territories or possessions or Canada, its provinces or territories.
- d. However, this Policy does not apply to **Loss** resulting from **Covered Operations** that take place anywhere coverage 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").

Similarly, any coverage relating to or referred to in any certificates or other evidences of insurance or any claim that would be in violation of U.S. economic or trade sanctions as described above shall also be null and void.

2. With respect to **Claims** subject to Paragraph 1.c. above in Section **VI. CONDITIONS**, Paragraph **Q. TERRITORY**:

- a. Such **Claims** must be reported by the **Insured** to an office of the Company located within the United States or Canada as set forth in the notice provisions of the Policy, or with the prior written consent of the Company, to the Company's local branch or affiliate office outside of the United States or Canada.
- b. Section **I. INSURING AGREEMENT**, **2. DEFENSE** is deleted in its entirety and replaced with the following:

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2. LEGAL EXPENSE AND DEFENSE

The Company shall have the right but not the duty to investigate, defend, or settle any **Claims** covered under this Policy. If the Company does defend the **Claim**, the Company's duty to defend or continue defending any such **Claim**, and to pay any **Loss**, shall cease once the applicable limit of liability, as described in Section IV. **LIMITS OF LIABILITY AND DEDUCTIBLE** has been exhausted. **Claims Expense** is included in **Loss** and reduce the applicable limit of liability, as described in Section IV., and is included within the Deductible amount shown in Item 4. of the Declarations.

If the Company does not exercise the right described in I. **INSURING AGREEMENT, 2. LEGAL EXPENSE AND DEFENSE** as set forth above, the **Insured** shall, under the Company's supervision, make such investigation and defense as is reasonably necessary. Subject to prior written authorization of the Company, the **Insured** may also effect settlement. The Company shall reimburse the **Insured** for the reasonable costs of such actions, subject to all other provisions of this Policy. Furthermore, Section I. **INSURING AGREEMENT, 1. COVERAGES** is amended by deleting "will pay on behalf of the **Insured**" and replacing such clause with "will indemnify the **Insured**".

3. This insurance shall not serve as proof of insurance: (i) in any country where non-admitted insurance is prohibited by local applicable law; or (ii) without the prior written consent of the Company.

4. Section VI. **CONDITIONS**, Paragraph A. **HOW OTHER INSURANCE APPLIES** is deleted in its entirety and replaced with the following:

A. **HOW OTHER INSURANCE APPLIES** - Where other insurance may be available for **Loss** covered under this Policy, the **Insured** shall promptly upon request of the Company provide the Company with copies of all such policies. If other valid and collectible insurance is available to the **Insured** for **Loss** covered by this Policy, the Company's obligations are limited as follows:

- 1) Except as set forth in Paragraphs 3), 4) and 5) below, this insurance is primary, and the Company's obligations are not affected unless any of the other insurance is also primary. In that case, the Company will share with all such other insurance by the method described in Paragraph 2). below.
- 2) Where this insurance is primary, if all of 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) This insurance shall apply as excess insurance over all insurance policies issued outside the United States and Canada by an American International Group Company and any replacements or renewals thereof.
- 4) This insurance is excess where:
  - a. the **Insured** is an insured on any pollution liability policy, other than one issued by the Company or its affiliates; or
  - b. the **Insured** is an insured on any policy maintained by an entity conducting **Covered Operations** on behalf of the **Named Insured**; or

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c. subparagraph (i) of the exception to the exclusion that is added by Paragraph 5. of this Endorsement is applicable.

- 5) This insurance shall apply as excess insurance over any such other valid insurance, whether collectible or not, be it primary or excess. This excess insurance shall in no way be increased or expanded as a result of the receivership, insolvency, or inability to pay of any insurer with respect to both the duty to indemnify and the duty to defend. This also applies to the **Insured** while acting as a self-insured for any coverage.

Where this insurance is excess insurance, the Company will pay only its share of the amount of **Loss**, if any, that exceeds the total amount of all such other valid insurance.

The **Insured** shall promptly upon request of the Company provide the Company with copies of all policies potentially applicable to **Loss** covered by this Policy.

5. The following exclusion is added to Section **II. EXCLUSIONS**:

Based upon or arising out of **Covered Operations** performed by or on behalf of the **Named Insured** in connection with any project with respect to which the **Named Insured** is an insured under another Contractor's Pollution Liability insurance policy, issued by the Company or by an affiliate of the Company, applying to or purporting to apply to such project. This Exclusion applies even if the **Claim Expenses** or **Loss** are not covered in whole or in part by that insurance policy due to a reduction or exhaustion of the Limits of Liability, or application of the amount of the applicable deductible, or self-insured retention, under such insurance contract.

However, this Exclusion does not apply in the event that all such project specific policies for any one project, as described above, to which the **Named Insured** is an insured:

- (i) has Aggregate Limits of Insurance shown in the declarations of such policy less than the Aggregate Limits shown in the declarations of this Policy, in which case this Policy shall apply, subject to all its terms and conditions, except that the limit of liability of this Policy shall apply excess to all such project specific policies for such project and that the limit of liability of this Policy shall be limited to the difference between the total limits of all such project specific policies for such project and the limit of liability of this Policy.

Where this Exception to the Exclusion applies, this Policy is excess as described in Section **VI. CONDITIONS, A. HOW OTHER INSURANCE APPLIES**, Paragraph 4) c. as amended above on this Endorsement; or

- (ii) does not provide any coverage except due to a reduction or exhaustion of the Limits of Liability, or application of the amount of the applicable deductible, or self-insured retention, under such insurance contract. Where this Exception to the Exclusion applies, this Policy is primary.

6. In the event that Section **VI. CONDITIONS**, Paragraph **A. HOW OTHER INSURANCE APPLIES**, paragraph 4) c., as amended above on this Endorsement, applies, **Section IV. LIMITS OF LIABILITY AND DEDUCTIBLE** is deleted and replaced with the following:

**A. LIMITS OF LIABILITY – AGGREGATE**

The Company's total liability for all **Loss** shall not exceed the difference between the "Aggregate" stated in Item 3. of the Declarations of this Policy and the total of all "Aggregate" limits of liability stated in all policy(s) to which the **Named Insured** is added as an insured.

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Once the "Aggregate" Limit of Liability under this Policy has been exhausted, the Company shall not be obligated to defend or continue to defend any **Claim**, or pay **Loss** for any **Claim**.

**B. LIMITS OF LIABILITY - EACH LOSS**

Solely with respect to Coverage A, and subject to Paragraph **A. LIMITS OF LIABILITY – AGGREGATE** above, the "Each Loss" Limit stated in Item 3. of the Declarations less the total of all Each Loss limits stated in all policy(s) to which the **Named Insured** is added as an insured is the most the Company will pay for all **Loss** arising out of any one **Pollution Condition** or the same, related or continuous **Pollution Conditions**. Once the "Each Loss" Limit of Liability has been exhausted, the Company shall not be obligated to defend or continue to defend any **Claim**, or pay **Loss** for any **Claim**.

Solely with respect to Coverage B, and subject to Paragraph **A. LIMITS OF LIABILITY – AGGREGATE** above, the most the Company will pay for all **Loss** arising out of any one **Pollution Condition** or the same, related or continuous **Pollution Conditions** is \$250,000.

**C. MULTIPLE CLAIMS**

If the **Insured** first notifies the Company of a **Claim** or **Emergency Response Costs** during the **Policy Period** in accordance with Section III., then all **Claims** or **Emergency Response Costs** arising out of the same, continuous or related **Pollution Conditions** that are reported to the Company under any subsequent Contractors Pollution Liability Policy(ies) shall be deemed to have been first reported to the Company during the **Policy Period**.

**D. DEDUCTIBLE - EACH LOSS**

The deductible stated in Item 3. of the Declarations applies to all **Loss** arising out of any one **Pollution Condition** or out of the same, related or continuous **Pollution Conditions**. The deductible shall be paid by the **Named Insured** and remain uninsured. The Limits of Liability shall apply in excess of the deductible.

The Company may advance payment of part or all of the deductible amount and, upon notification of such payment made, the **Named Insured** shall promptly reimburse the Company for the deductible amounts advanced by the Company.

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

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**AUTHORIZED REPRESENTATIVE**  
or countersignature (in states where applicable)