

**Pollution Legal Liability Application  
Fixed Site Coverage**

**APPLICANT INSTRUCTIONS**

1. Please answer all questions, leave no blank spaces.
2. For multiple locations, complete property schedule (Attachment 1), listing the location and description of operations. Answer all questions pertaining to each location and use additional sheets if necessary.
3. If questions do not apply, answer N/A.

Please forward:

- Environmental Reports (Audits, Phase I, Phase II Reports and remedial action work plans) for each location requiring coverage (if available).
- Audited financials for the past two years.
- Schedule of Environmental policies and associated loss experience for the past two (2) years.

**Select Coverage Desired**

Coverage	Incident Limit	Aggregate Limit	Deductible
A. Clean-up Costs Resulting From Pre-Existing Pollution Conditions			
B. Clean-up Costs Resulting From New Pollution Conditions			
C. Bodily Injury and Property Damage Resulting From Pollution Conditions			
D. Bodily Injury Property Damage and Clean-up Costs Resulting From Transported Cargo			
E. Business Interruption Caused by Pollution Conditions			

The insurer with which the licensee places the insurance is a surplus lines insurer, is not licensed by the State, and is subject to limited regulation. In the event of insolvency of the insurer, this insurance is not covered by the Guaranty Fund or Guaranty Association.

1. Named Insured & Address:

2. List Of Subsidiaries:

3. Contact Name & Title:

4. Telephone, Fax, & E-Mail:

5. Internet Web Address:

6. Proposed Effective & Expiration Dates:

7. Proposed Policy Term: One-Year  Three Years  Five Years

8. Operations of Insured:

9. Has the Company during the last five (5) years been prosecuted, or are you currently being prosecuted, or anticipate being named, inquired or persecuted for contravention of any standard or law relating to the release or threatened release of a oil, hazardous substances, hazardous waste or any other pollutant? If yes, please provide a brief summary.: Yes  No

10. List all claims made against the company during the last five (5) years for clean-up or response

action, "Toxic Tort" or property damage, resulting from the release of oil, hazardous substances, hazardous waste, or other pollutants into the environment.:

11. Has an environmental Phase I or Phase II been completed at any facility in the last 5 years? If yes, please provide a brief summary.:

Yes       No

12. Is there any known soil and/or ground water contamination at the site? If yes, please provide a brief summary.:

Yes  No

13. Did the company conduct any environmental audits in the last three years? If yes, please provide a brief summary of findings and corrective actions.:

Yes  No

14. Please attach a listing of all raw materials, products, by-products and wastes stored on site. Include name of material, amount stored on site at any one time, amount used per year, method of storage, and environmental controls. If tanks are present, please provide a tank schedule including year installed, material of construction, type of secondary containment, capacity, contents and locations.

15. Solid & Hazardous Waste Disposal

Large Quantity Generator (> 1,000kg/mo)  
Small Quantity Generator (100 to 1,000 kg/mo)  
Conditionally Exempt (< 100 kg/mo)  
TSD Facility  
Used Oil Program  
Special Wastes  
Secondary Containment Provided

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input type="checkbox"/>	No	<input type="checkbox"/>

\* For multiple locations indicate status of each facility on a separate sheet and attach. Provide a general description as to types and quantities of wastes generated, how and where they are stored, and how and where they are disposed of.

\*\* For questions 16 through 19, for multiple locations indicate status for each facility on a separate sheet and attach.

16. Air

Operations require an air permit  
Engineering Controls required  
Risk Management Plan Required  
Odor or Dust Complaints

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input type="checkbox"/>	No	<input type="checkbox"/>

Provide a brief description of control devices and any issues regarding complaints:

17. Water and Wastewater

Public Water Supply Available  
On-site wells  
Process water treatment required  
Sanitary Sewer

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input type="checkbox"/>	No	<input type="checkbox"/>

Septic System  
 NPDES Permit Required  
 SPCC Plan  
 Stormwater Pollution Prevention Plan

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input type="checkbox"/>	No	<input type="checkbox"/>

Provide brief description for each location. Attach additional sheets if necessary:

**18. Regulatory Compliance History last 5 years**

Spills  
 Hazardous Waste Violations  
 Notice of Violations (NOVs)  
 Consent Orders  
 Public complaints, or Law Suits  
 Company listed as a PRP at any clean-up site

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input type="checkbox"/>	No	<input type="checkbox"/>

If yes to any of the above, please provide a brief summary and status with regulatory agency.:

**19. Environmental Management Systems**

Environmental Manager onsite  
 Environmental Training Program  
 HAZCOM Program  
 Emergency Response Plan  
 Environmental Audit Program  
 ISO 14000 Certified

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input type="checkbox"/>	No	<input type="checkbox"/>

Provide a brief description of corporate environmental policy and program:

20. At the time of signing of this application, does the company know of any facts or circumstances which may reasonably be expected to result in a claim or claims being asserted against your company for environmental clean-up or response, or for bodily injury or property damage arising from the release of pollutants into the environment?:

Yes  No

If yes, please describe in detail:

21. If selecting Coverage Option "D", please answer the following:

a. Number of Licensed Vehicles

b. Please attach your fleet list:

c. Are hazardous materials transported?  
Please provide details of any hazardous materials being transported.:

Yes  No

d. Please provide a description of all cargo being transported.:

e. Percentage of transportation subcontracted:

f. Do you perform vehicle maintenance on site or by a third party? Please describe:

On-Site  Off-Site

g. Distance traveled:

1.) Owned/Leased:

2.) Third Party:

22. **If selecting Coverage Option “E” please attach your business income worksheet. See Attachment 2 for a sample format.**

COMPLETION OF THIS FORM DOES NOT BIND COVERAGE. APPLICANT'S ACCEPTANCE OF COMPANY'S QUOTATION IS REQUIRED PRIOR TO BINDING COVERAGE AND POLICY ISSUANCE. ANY PERSON WHO KNOWINGLY INCLUDED ANY FALSE OR MISLEADING INFORMATION ON AN APPLICATION FOR AN INSURANCE POLICY IS SUBJECT TO CRIMINAL AND CIVIL PENALTIES.

THE APPLICANT REPRESENTS THAT THE ABOVE STATEMENTS AND FACTS ARE TRUE AND THAT NO MATERIAL FACTS HAVE BEEN SUPPRESSED OR MISSTATED.

IF AN ORDER IS RECEIVED, THE APPLICATION IS ATTACHED TO THE POLICY, SO IT IS NECESSARY THAT ALL QUESTIONS BE ANSWERED IN DETAIL.

APPLICANT \_\_\_\_\_  
(signature of owner or officer)

Date:

APPLICANT  
(print name & title):

BROKER  
(print name of firm):

Date:

(address of brokerage firm):

(contact person & telephone number):

**Attachment 1: Property Schedule**

**Location Name & Address:**

**Contact Name and Telephone:**

**Description of Operations:**

**Number of years at this location  
and previous land use:**

**Owned/Leased?:**

**Surrounding Land Use?:**

**Location Name & Address:**

**Contact Name and Telephone:**

**Description of Operations:**

**Number of years at this location  
and previous land use:**

**Owned/Leased?:**

**Surrounding Land Use?:**

**Location Name & Address:**

**Contact Name and Telephone:**

**Description of Operations:**

**Number of years at this location  
and previous land use:**

**Owned/Leased?:**

**Surrounding Land Use?:**

**Location Name & Address:**

**Contact Name and Telephone:**

**Description of Operations:**

**Number of years at this location  
and previous land use:**

**Owned/Leased?:**

**Surrounding Land Use?:**

**Attachement 2**

Date:

**BUSINESS INCOME VALUES - WORKSHEET(Deduction Basis)**

Insured:

Location (s):

Your Property premium for the above locations (s) requires our knowing your estimated Business Income Value. Use this Worksheet to calculate this Annual Value and assist you in determining the limits of insurance you may need to meet any policy coinsurance requirements.

	Actual Values for 12 Month PERIOD Ending:	Estimated Values for 12 Month Period Ending:
A. Net Sales Value of Production(See Notes) at plant (for Mfg. Locations) and NET Sales (for Non-Mfg. Locations - See Notes) all calculated at gross sales price less discounts and allowances for bad debts, returns, sales taxes and prepaid freight, if included in sales price.....		
B. Add other earnings (if any) derived from operation of the business i.e. cash discounts received, commissions or rents from leased departments, other..... (Do not include income from investments)		
C. Total Revenues (A plus B).....		
D. <b>DEDUCT</b>		
1. Cost of Materials and Supplies (for Mfg. Locations - See Notes) and Cost of Merchandise Sold and Supplies consumed in operation of the business (for Non-Mfg. Locations).....		
2. Services purchased from outsiders (not your employees) for resale which do not continue under contract.....		
3. Ordinary Payroll Expense (if coverage is <b>excluded or limited</b> to 90 or 180 days)....		



A. Ending Inventory	1,500,000	
B. Beginning Inventory	-1,250,000	<u>\$ 250,000</u>
2. Change in Work-in-Process Inventory:		
A. Ending Inventory	100,000	
B. Beginning Inventory	-150,000	<u>\$ -50,000</u>
Net Sales Value of Production		<u>\$5,200,000</u>

## B. DEDUCT

### 1. Cost of Materials and Supplies

Cost of materials and supplies means the cost of raw materials and supplies consumed directly in the process of converting raw materials into finished goods.

The supplies considered in this category also include labels, packaging and shipping supplies, or any other supply which becomes part of the finished product, but not general operating supplies.

The cost of materials and supplies figure should represent amounts consumed in the period's production and not just amounts reflecting net sales levels.

2. Services purchased from outsiders (not your employees) for resale which do not continue under contract.
3. Ordinary Payroll

Ordinary Payroll includes the payroll of all of your employees except salaries and wages for officers, executives, department managers and those employees whose salaries and wages are guaranteed under annual compensation contracts. Ordinary Payroll is payroll for those employees who are not essential during a suspension of operations and most likely would be laid off. These employees when laid off should be readily replaceable once business operations are resumed.

Ordinary Payroll Expense means....

(a) ...the payroll expense for all your employees except officers, executives, department managers and employees under contract.

(b) ...and includes payroll, employee benefits that are directly related to payroll, FICA payments that you pay, union dues you pay and workers compensation premiums. Also included are other charges allocated to Ordinary Payroll including Unemployment Insurance (state and federal) and certain retirement fund payments, group disability, health and life insurance expense, etc.

Note that the adjustment for Ordinary Payroll under D.3 of the worksheet is only necessary if the period of time for which you expect to continue paying this expense is to be limited to 90 or 180 days. The deduction should be for the entire 12 month period being calculated (Actual or Estimated Values) and the expected time for continuance (90 or 180 days) is added back in under H.

Note also that in an actual business income loss situation, Ordinary Payroll is only allowable to the extent it is actually and necessarily paid to the employees, and not claimed or paid elsewhere in your claim.

C. NET SALES FOR NON-MFG LOCATIONS CALCULATION

GROSS SALES, LESS:    \$  
Discounts  
Returns and Allowances  
Sales and Excise Taxes  
Bad Debts & Collection Exp  
Prepaid Freight  
Other (specify)  
  
Net Sales for Period