



Pollution/Environmental Liability Exclusion

This Agreement shall not apply to and does not cover:

1. Loss or losses arising out of the actual, alleged or threatened a spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of “pollutants”:
 - i) at or from any premises, site or location which is or was at any time, used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
 - ii) arising from the transportation, handling, storage, disposal, processing, or treatment of waste by or for any insured or any organization for whom the insured may be legally responsible;
 - iii) at or from any premises, site or location on which any insured or contractors or subcontractors working directly or indirectly on any insured’s behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, “pollutants”; or
 - iv) at or from any premises, site or location:
 - a) which is or was at any time, owned or occupied or rented or loaned to an insured; or
 - b) on which any insured or contractors or subcontractors working directly or indirectly on any insured’s behalf are performing operations if the “pollutants” are brought onto the premises, site or location in connection with such operations by or on the instruction of such insured, contractor, or subcontractor;but paragraph iv) does not apply to bodily injury or property damage:

- (i) if caused by heat, smoke or fumes from, or fire extinguishing substances used to fight a fire which becomes uncontrollable or breaks out from where it was intended to be, or
- (ii) if caused by smoke, fumes, vapour or soot from equipment used to heat, cool or dehumidify the building or equipment that is used to heat water for personal use, by the building's occupants or their guests, or
- (iii) if all four of the following conditions are met:
 - (1) the spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants" commences during the term of this agreement;
 - (2) the spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants" occurs in a quantity or with a quality that is in excess of that which is routine or usual to the business of the insured;
 - (3) the spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants" is detected within 120 hours of its commencement;
 - (4) the spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants" is reported to the cedant within 120 hours of its being detected.
- v) which occurred prior to the term of this agreement.

2. Any fines, penalties, punitive or exemplary damages assessed against or imposed upon any insured.

"Pollutants" mean any solid, liquid, gaseous, or thermal irritant or contaminant including smoke, odour, vapour, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

Note to accompany publication

The RRC recommended Pollution Liability Exclusion has been updated. The exclusion is no longer sensitive to the inception date of new and renewal policies, and it now includes the IBC's policy coverage for smoke, fumes, vapour or soot arising from certain building heating, cooling and hot water equipment.