

NUCLEAR ENERGY LIABILITY EXCLUSION CLAUSE

I. The insurance does not apply:

A. Under any Liability Coverage, to Bodily Injury or Property Damage:

(1) With respect to which an 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, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or

(2) Resulting from the Hazardous Properties of Nuclear Material and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) 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.

B. Under any Medical Payments coverage, to expenses incurred with respect to Bodily Injury resulting from the Hazardous Properties of Nuclear Material and arising out of the operation of a Nuclear Facility by any person or organization.

C. Under any Liability Coverage, to Bodily Injury or Property Damage resulting from the Hazardous Properties of Nuclear Material, if:

(1) The Nuclear Material (a) is at any Nuclear Facility owned by, or operated by or on behalf of, an insured or (b) has been discharged or dispersed therefrom;

(2) 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 an insured; or

(3) The Bodily Injury or Property Damage arises out of the furnishing by an insured of services materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any Nuclear Facility, but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to Property Damage to such Nuclear Facility and any property thereat.

II. As used in this endorsement:

Hazardous Properties include radioactive, toxic or explosive properties.

Nuclear Material means Source Material, Special Nuclear Material or By-Product Material.

Source Material, Special Nuclear Material and By-Product Material have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof; Spent Fuel means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a Nuclear Reactor.

Waste means any waste material (a) containing By-Product Material other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any one processed primarily for its Source Material content, and (b) 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.

Nuclear Facility means:

(a) Any Nuclear Reactor

(b) Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium,

(2) processing or utilizing Spent Fuel, or (3) handling, processing or packaging Waste;

(c) 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;

(d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of Waste, and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations;

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;

Property Damage includes all forms of radioactive contamination of property.