State of California – Department of Fish and Wildlife

CALIFORNIA ENDORSEMENT FOR MOBILE TRANSFER UNITS AND TRANSPORTABLE TREATMENT UNITS OIL SPILL LIABILITIES

A. This Endorsement forms a part of the Policy to which it is attached;

B. This Endorsement provides coverage for any legal liability or damages as specified under the Lempert-Keene-Seastrand Oil Spill Prevention and Response Act (California Government Code Section 8670.1 et seq.; herein "the Act") as a result of a discharge of oil into or upon the marine waters of the State of California or a discharge of oil in an area that threatens to impact those marine waters from or by any of the Insured's mobile transfer units or transporable treatment units covered by the Policy;

C. Except as provided by paragraph E. herein, the Insurer agrees to pay, subject to the monetary limits prescribed within the Policy, for which the Insured assumes or is or may be judicially, administratively, or otherwise legally obligated to pay under the Act, without regard to the fault of the Insured, for any damages incurred by any injured party which arise out of, or are caused by, the discharge or leaking of oil into or onto marine waters.

D. Damages: Damages arising under the Act, and specifically Government Code Section 8670.56.5, which the Insurer agrees to pay pursuant to the terms of this Endorsement include:

(1) All costs of response, containment, cleanup, removal, and treatment, including, but not limited to, monitoring and administration costs incurred pursuant to the California oil spill contingency plan or actions taken pursuant to directions by the Administrator.
(2) Injury to or economic losses resulting from destruction of or injury to real or personal property.
(3) Injury to, destruction of or loss of, natural resources, including, but not limited to, the reasonable costs of rehabilitating wildlife, habitat, and other resources and the reasonable costs of assessing that injury, destruction, or loss.
(4) Loss of subsistence use of natural resources, which shall be recoverable by any injured party who so uses natural resources that have been injured, destroyed, or lost.
(5) Loss of taxes, royalties, rents, or net profit shares caused by the injury, destruction, loss, or impairment of use of real property, personal property, or natural resources.
(6) Loss of profits or impairment of earning capacity due to the injury, destruction, or loss of real property, personal property, or natural resources, which shall be recoverable by any injured party who derives at least 25 percent of his or her earnings from the activities which utilize the property or natural resources, or, if those activities are seasonal in nature, 25 percent of his or her earnings during the applicable season.
(7) Loss of use and enjoyment of natural resources, public beaches, and other public resources or facilities.

E. Defenses: The Insurer shall not be obligated to pay for any of the following:

(1) Damages, other than costs of removal incurred by the state or a local government, caused solely by any act of war, hostilities, civil war, or insurrection or by an unanticipated grave natural disaster or other act of God of an exceptional, inevitable, and irresistible character, which could not have been prevented or avoided by the exercise of due care or foresight by the Insured.
(2) Damages caused solely by the negligence or intentional malfeasance of the injured party.
(3) Damages caused solely by the criminal act of a third party other than the Insured or an agent or employee of the Insured.
(4) Natural seepage not caused by the Insured.
(5) Discharge or leaking of oil or natural gas from a private pleasure boat or vessel owned or operated by the Insured.
(6) Damages that arise out of, or are caused by, a discharge that is authorized by a state or federal permit issued to the Insured.

F. The defenses provided in paragraph E. shall not be available if the Insured fails to comply with California Government Code Sections 8670.25 [spill cleanup], 8670.25.5 [spill reporting], 8670.27 [follow spill response plan or orders], and 8670.62 [follow orders].

G. This Endorsement does not apply to personal injury or wrongful death.

H. The Policy shall apply to all such claims arising under the Act during the period covered by the Policy and before the effective date of the termination or cancellation;

I. Failure of the Insured to attempt to join to an action arising under the Act any other party, who may be responsible under the Act, shall not negate any coverage provided by this Endorsement or the policy to which it is attached.

J. Notwithstanding this Endorsement, the Insurer does not agree to be a guarantor for purposes of the Act or the Federal Oil Pollution Act of 1990, nor does this evidence of insurance constitute consent to allow third party claims to be asserted directly against the Insurer, nor create a direct action right against the Insurer.

K. Termination or cancellation of this policy insofar as it serves as proof of the Insured's financial responsibility pursuant to Title 14, California Code of Regulations, Section 795(a), shall not become effective until 30 days after notice, with the exception for nonpayment of premium which will require 10 days notice, has been submitted in writing by the Insurer to the Insured and to the Office of Spill Prevention and Response;

L. Except as expressed in this Endorsement, all other terms and conditions of the Policy remain unchanged.

The policy to which this Endorsement is attached provides primary or excess insurance as indicated by "x", for at least the limits shown:

This insurance is primary and the company shall not be liable for amounts in excess of

$ _____ for each oil spill incident.

The insurance deductible amount is $ _____

This insurance is excess and the company shall not be liable for amounts in excess of

$ _____ for each oil spill occurrence in excess of the underlying limit of

$ _____ for each oil spill incident.

The insurance deductible amount is $_____

Issued to _____of _____ on _____, 20 _____.
(Insured) (Date) (Year)

Amending Policy No. _____ Effective Date _____
(Policy Number) (Date)

Name of Insurance Company_____

Countersigned by _____
(Authorized Underwriter Representative)

SCHEDULE OF FACILITIES

Type of Unit	Unit Designation
_____ Type of Unit	_____ Unit Designation
_____ Type of Unit	_____ Unit Designation
_____ Type of Unit	_____ Unit Designation
_____ Type of Unit	_____ Unit Designation
_____ Type of Unit	_____ Unit Designation
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(If more space is needed, attach a separate sheet)