



April 17, 2023

Trustee of Harry Malloy Trust #2

Howard Malloy

PO Box 1811

Bismarck, ND 58502

Dear Howard,

In reviewing your farm policy with Auto Owners underwriting team, your concerns with the proposed pipeline are valid. Below is the policy language for the farm and an umbrella policy excluding pollutants.

Farm Form

Definition of a pollutant on page 4

21. Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, liquids, gases and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

Farm Property Exclusions page 17

(9) discharge, release, escape, seepage, migration or dispersal of **pollutants** unless caused by a peril **we** insure against under **COVERAGE C**. This exclusion does not apply to the additional coverage **HEATING FUEL DAMAGE**.

**LO #44
PU-22-391**

109 1st St NW
PO Box 848
Mandan, ND 58554
701-667-1048
Fax 701-667-1231

2900 N Washington St
PO Box 777
Bismarck, ND 58502
701-250-1580
Fax 701-250-1526

601 Main Ave
PO Box 91
Oakes, ND 58474
701-742-2711
Fax 701-742-2440

100 Main St
PO Box 99
Ellendale, ND 58436
701-349-3477
Fax 701-349-4140

2525 S University
Fargo, ND 58103
701-271-0249
Fax 701-281-6096

15. a. to bodily injury, property damage or personal injury arising out of the actual, alleged or threatened discharge, dispersal, release, escape, seepage or migration of **pollutants**:

(1) at or from any **insured premises** or any other premises, site or location which is or was at anytime owned or occupied by, or rented or loaned to any **insured**. However, this exclusion, 15.a.(1), does not apply to:

(a) bodily injury which is sustained within a building at such premises, site or location and which is caused by fumes, soot, vapor or smoke from equipment used to heat a building at such premises, site or location,

(b) bodily injury or property damage for which **you** may be held liable, if **you** are a contractor and the owner or lessee of such premises, site or location has been added to **your** policy as an additional **insured** with respect to **your** ongoing operations performed for that additional **insured** at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any **insured**, other than that individual **insured**, or

(c) bodily injury or property damage arising out of heat, smoke or fumes from a **hostile fire**.

(2) at or from any **insured premises** or any other 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.

(3) which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any **insured** or any person or organization for whom **you** may be legally responsible.

(4) at or from any **insured premises** or any other premises, site or location on which any **insured** or any contractors or subcontractors working directly or indirectly on any **insured's** behalf are performing operations if the **pollutants** are brought on or to the **insured premises** or any other premises.

site, or location in connection with such operations by such insured, contractor or subcontractor. However, this exclusion, 15.a.(4), does not apply to:

- (a) **bodily injury or property damage** arising out of the escape of lubricants, fuels or other operating fluids which are needed to perform the normal hydraulic, mechanical or electrical functions necessary for the operation of **farm implements**, or their parts, if such lubricants, fuels or other operating fluids escape from a vehicle part designed to receive, hold or store them. This exception does not apply if the **bodily injury or property damage** arises out of the intentional discharge, dispersal or release of the lubricants, fuels or other operating fluids, or if such lubricants, fuels or other operating fluids are brought on or to any **insured premises** or any other premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such **insured**, contractor or subcontractor;
 - (b) **bodily injury or property damage** which is sustained within a building at such premises, site or location and which is caused by the release of vapors, fumes or gasses from materials brought into that building in connection with operations being performed by you or on **your** behalf by a contractor or subcontractor; or
 - (c) **bodily injury or property damage** arising out of heat, smoke or fumes from a **hostile fire**.
- (5) at or from any **insured premises** or any other premises, site or location on which any **insured** or any contractors or subcontractors working directly or indirectly on the **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**.
- b. to any loss, cost or expense arising out of any:
- (1) request, demand, order or statutory or regulatory requirement that any **insured** or others test for, monitor, clean up, remove,

109 1st St NW
PO Box 848
Mandan, ND 58554
701-667-1048
Fax 701-667-1231

2900 N Washington St
PO Box 777
Bismarck, ND 58502
701-250-1580
Fax 701-250-1526

601 Main Ave
PO Box 91
Oakes, ND 58474
701-742-2711
Fax 701-742-2440

100 Main St
PO Box 99
Ellendale, ND 58436
701-349-3477
Fax 701-349-4140

2525 S University
Fargo, ND 58103
701-271-0249
Fax 701-281-6096



contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of pollutants: or

- (2) claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of pollutants.

However, this exclusion 15.b., does not apply to liability for damages because of property damage that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or suit by or on behalf of a governmental authority.

Farm Umbrella Form

Exclusions

Bodily injury or property damage arising out of the discharge, dispersal, release or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids, or gases, waste materials or other irritants, contaminants or pollutants into or upon land, the atmosphere or any water course or body of water.

If you have any questions regarding the policy language, please contact me at 701-667-1632.

Sincerely,

Tonja Iverson, agent

Starion Insurance

109 1st St NW
PO Box 848
Mandan, ND 58554
701-667-1048
Fax 701-667-1231

2900 N Washington St
PO Box 777
Bismarck, ND 58502
701-250-1580
Fax 701-250-1526

601 Main Ave
PO Box 91
Oakes, ND 58474
701-742-2711
Fax 701-742-2440

100 Main St
PO Box 99
Ellendale, ND 58436
701-349-3477
Fax 701-349-4140

2525 S University
Fargo, ND 58103
701-271-0249
Fax 701-281-6096