

## MINING LIMITATION ENDORSEMENT

The coverage afforded by the policy arising out of the operation of a mine applies subject to the following provisions:

1. The policy does not apply
  - a) to **DAMAGE** or destruction to Underground Property,
  - b) to the increased cost of reducing any Underground Property to physical possession above the surface of the earth, or to the expense required to prevent or reduce loss of or **DAMAGE** to property, resulting from acts or omissions causing underground damage.

The term "Underground Property" as used in this Endorsement, means oil, gas, water or other mineral substances, including any title, interest or estate herein, which at the time of the acts or omissions causing loss of, damage to, or destruction of such substance, or loss, impairment, or reduction in the value of such title, interest or estate has not been reduced to physical possession above the earth's surface. This term also means any well, hole, formation, strata or area beneath the surface of the earth in or through which exploration for or production of any such substance is carried on, or casing, pipe, bit tool, pump or other drilling or well servicing machinery or equipment which is located in any such well or hole beneath the earth's surface at the time of the accident causing damage or destruction.

2. The policy does not apply to **PROPERTY DAMAGE** directly or indirectly arising out of, caused by, resulting from, contributed to or aggravated by the subsidence, settling, sinking, slipping, falling away, caving in, shifting, eroding, mud flow, rising, tilting, or any other movement of land or earth; of any of the foregoing emanates from an underground mine, whether active, inactive or abandoned, or operations while being conducted therein.
3. Except to the extent that coverage is available to the **INSURED** in the **PRIMARY INSURANCE** as set forth in Schedule of Underlying Insurance's of the policy, this policy shall not apply under Coverage 1 (B) to:
  - a) **DAMAGE** to or destruction of any property arising out of :

- (i) Blasting or explosion other than the explosion of air or steam vessels, piping under pressure, prime movers, machinery or power transmitting equipment, or
    - (ii) The collapse of or structural damage to any building or structure due to (aa) grading of land, excavation, burrowing, filling or back-filling, tunneling, pile driving, coffer-dam work or caisson work, or (bb) to moving, shoring, underpinning, raising or demolition of any building or structure or removal or rebuilding of any structural support thereof.
  - b) **DAMAGE** to or destruction of wires, conduits, pipes, mains, sewers, tanks, tunnels, any similar property, and any apparatus in connection therewith, beneath the surface of the ground or water, caused by and occurring during the use of mechanical equipment for the purpose of grading land, paving excavating, drilling, burrowing, filling, back-filling or pile driving, or to damage to or destruction of property at any time resulting therefrom.
4. The policy does not apply to **PROPERTY DAMAGE** caused by seepage, pollution or contamination unless:
- a) such seepage, pollution or contamination is caused by accident and resulting in **PROPERTY DAMAGE** during the period of the policy; or
  - b) subsequent to seepage, pollution or contamination, an accident ensues which causes **PROPERTY DAMAGE** during the period of the policy and then only for **PROPERTY DAMAGE** proximately caused by such an accident.
5. The policy does not apply to liability for restoration, reclamation, back-filling, grading, planting, covering or other modification of mine workings high walls, spoil banks, haulage ways or streams.

It is agreed that the policy does not apply to mining operations at any location other than that at which mining operations were being conducted at the inception of the policy unless the **INSURED** has notified **US** of the commencement of such operations, and **WE** have issued an endorsement to the policy extending it to such operations.