



**NEW HAMPSHIRE INSURANCE COMPANY
(A CAPITAL STOCK COMPANY)
175 Water Street, New York, New York 10038**

COMPLETED VALUE BUILDERS RISK POLICY

Various provisions in this Policy restrict coverage. Read the entire Policy carefully to determine rights, duties and what is and is not covered.

Throughout this Policy, the word **Insured(s)** means the **Named Insured** and the **additional insured(s)**. The word "Company" means the insurance company shown in the header above. The word "Policy" means this Completed Value Builders Risk Policy including, the Declarations, all endorsements and Schedules.

Other defined words and phrases that appear in boldface type have special meaning. Refer to: (1) the DEFINITIONS Section, (2) the SPECIFIED COVERED CAUSES OF LOSS Subsection of the INSURING AGREEMENT AND COVERED PROPERTY Section and (3) elsewhere in this Policy. If such ordinarily boldfaced words and phrases are not bolded then such words and phrases shall include, but not be limited to, the specific meaning set forth in this Policy.

SECTION I - INSURING AGREEMENT AND COVERED PROPERTY

A. INSURING AGREEMENT

Subject to the terms and conditions of this Policy, the Company will pay for all risks of direct physical loss or damage by a **covered cause of loss to covered property at the insured project**, while in offsite temporary storage or during **inland transit** (both as provided in the Additional Coverages), all within the **coverage territory** and occurring during the term of this Policy.

B. COVERED PROPERTY

The Company insures the following property for which the **Insured** is contractually responsible, the value of which has been included in the **total project value**:

1. Permanent works - All materials, supplies, equipment, machinery, and other property of a similar nature all when used or to be used in or incidental to the demolition of existing structures, site preparation, fabrication or assembly, installation or erection or the construction of or alteration, renovation, rehabilitation of the **insured project** (hereinafter, **permanent works**);
2. Temporary works - All scaffolding, form work, fences, shoring, hoarding, falsework and temporary buildings, construction trailer(s) including such trailers' contents (except **plans and drawings**), all incidental to the **insured project** (hereinafter, **temporary works**); and
3. Property of others - Property of others for which the **Insured** is legally liable (hereinafter, **property of others**);

while at the location of the **insured project**, in transit as set forth in the INLAND TRANSIT Additional Coverage, or at offsite temporary storage as set forth in OFFSITE TEMPORARY STORAGE Additional Coverage.

C. SPECIFIED COVERED CAUSES OF LOSS

Subject to the terms and conditions of this Policy, covered causes of loss include the following specified covered causes of loss:

1. **Earth movement**, which means any natural or manmade:
 - a. Earthquake, including any earth sinking, rising or shifting related to such event;
 - b. Landslide, including any earth sinking, rising or shifting related to such event;
 - c. Mine subsidence, meaning subsidence of a manmade mine, whether or not mining activity has ceased;
 - d. Earth sinking, rising or shifting, including soil conditions which cause settling, cracking or other disarrangement of foundations or other parts of covered property, unless otherwise excluded by this Policy;
 - e. Shocks, tremors, mudslide, mud flow, rock falls, volcanic eruption, sinkhole collapse, or subsidence, unless otherwise excluded by this Policy; or
 - f. Tsunami arising out of any of the above.
2. **Flood**, which means, whether natural or manmade, flood waters, surface water, waves, tide or tidal water, overflow or rupture of a dam, levy, dike or other surface containment structure, storm surge, storm tide, the rising, overflowing or breaking of boundaries of natural or manmade bodies of water, or the spray from any of the foregoing, all whether driven by wind or not. A tsunami shall not be considered a flood.
3. **Water damage** means all loss or damage caused by:
 - a. Water, other than water from a flood or named storm, that enters into a building or structure through an opening;
 - b. Discharge or leakage of water or steam from a plumbing, heating, air conditioning or other system or appliance;
 - c. Discharge or leakage from a sprinkler system, other than discharge due to a fire, explosion or earth movement; or
 - d. Water, other than water from a flood or named storm, that backs-up into the insured project (or existing property, if endorsed onto this Policy) from sewers, drains, sumps, and/or pumps.
4. **Named storm**, which means a storm that, at any time, has been declared by the United States National Weather Service or another meteorological authority to be a Hurricane, Typhoon, Tropical Cyclone, Tropical Storm, or Tropical Depression, including any status or designation change with respect to such storm.

If earth movement, flood or named storm is not covered, then any cause or event occurring concurrently or in any sequence with such peril(s) is also not covered, except for direct physical loss or damage to covered property caused by fire, sprinkler leakage or explosion following earth movement, flood or named storm, whichever is applicable.

Direct physical loss or damage to covered property caused by fire, sprinkler leakage or explosion shall not be considered loss or damage by earth movement, flood or named storm, whichever is applicable, within the terms and conditions of this Policy.

5. **Terrorism**, which means the use or threatened use of force or violence against a person or property, or commission of an act dangerous to human life or property, or commission of an act that interferes with or disrupts an electronic or communication system, undertaken by any person or group, whether or not acting on behalf of or in any connection with any organization, government, power, authority or military force, when the effect is to intimidate, coerce or harm:
 - a. A government;
 - b. The civilian population of a country, state or community; or
 - c. Disrupt the economy of a country, state or community.

So long as the Terrorism Risk Insurance Act of 2002, and any revisions or amendments thereto (the "Act") is in effect, **terrorism** includes a certified act of terrorism defined by Section 102. Definitions of the Act.

Whether or not **terrorism** is covered under this Policy, the Company does not cover loss or damage caused directly or indirectly by **biological and/or chemical terrorism** or **nuclear terrorism** whether controlled or uncontrolled, proximate or remote, sudden or over any length of time, or which is contributed to or aggravated by any other cause or event. Such **biological and/or chemical terrorism** or **nuclear terrorism** is excluded regardless of any other cause or event occurring concurrently or in any sequence with such **biological and/or chemical terrorism** or **nuclear terrorism**. **Biological and/or chemical terrorism** means the dispersal, discharge, or release of pathogenic, toxic, poisonous, or damaging biological or chemical agents or substances in an act(s) of **terrorism**. **Nuclear terrorism** means an act(s) of **terrorism** involving or resulting in nuclear reaction or nuclear radiation or radioactive contamination.

If **terrorism** is covered under this Policy, then a corresponding premium will be shown in Item 7.B. of the Declarations.

If **terrorism** is not covered then any cause or event occurring concurrently or in any sequence with such **terrorism** is also not covered, including any action taken to prevent, defend against, respond to or retaliate against **terrorism** or suspected **terrorism**, except for direct physical loss or damage to **covered property** caused by fire following **terrorism**. With respect to this exception for fire following **terrorism**, no coverage is provided for: (1) fire following **biological or chemical terrorism** or **nuclear terrorism**, (2) any Additional Coverage, except debris removal under the DEBRIS REMOVAL Additional Coverage, or (3) delay in completion loss. Notwithstanding any other valuation provision of this Policy to the contrary, the Company shall only pay the actual cash value of the **covered property** at the time and place of the loss caused directly by the ensuing fire.

SECTION II - ADDITIONAL COVERAGES

Subject to the terms and conditions of this Policy, all loss, damage, expenses and/or other payments for the following Additional Coverages and any Additional Coverage(s) added to this Section by endorsement or through the Special Terms and Conditions is subject to the sublimits of liability as shown in Item 10.B. of the Declarations and sublimits shown elsewhere in this Policy.

1. INLAND TRANSIT

The Company will pay for direct physical loss or damage by a **covered cause of loss** to **covered property** during **inland transit**.

The **Insured** agrees to keep records of all shipments insured hereunder and make them available to the Company upon request. Failure to keep such records may result in the Company not paying for such **covered property** during **inland transit**.

This Additional Coverage shall be void if the **Insured** enters into any agreement with carriers, releasing them from their common law or statutory liability or agreeing that this insurance shall in any way inure to the benefit of such carriers; however, the **Insured** may, without prejudice to this Additional Coverage, accept bills of lading, receipts, or contracts of transportation as are ordinarily issued by carriers containing a limitation as to the value of covered property.

As used herein, **inland transit** means the transit of covered property from the commencement of loading at the original point of shipment anywhere within the coverage territory or Canada until completion of unloading; at the location of the **insured project** or at a temporary offsite location, including shipments on inland or coastal waters, but excluding ocean marine shipments.

2. OFFSITE TEMPORARY STORAGE

The Company will pay for direct physical loss or damage by a covered cause of loss to covered property while such property is at offsite temporary storage, anywhere within the coverage territory. There is no coverage for such covered property while: (1) in the course of manufacturing or processing, (2) at a manufacturer's or supplier's site or warehouse, unless the **Insured** is legally liable for such covered property, or (3) in transit.

3. ARSON, THEFT OR VANDALISM AND MALICIOUS MISCHIEF REWARD

The Company covers the reasonable payment of any reward offered by the **Named Insured** or on the **Named Insured's** behalf for information that leads to conviction of the perpetrator(s) of arson, theft or vandalism and malicious mischief to covered property.

Regardless of the number of informants, the Company's maximum liability for any one occurrence of arson, theft and/or vandalism and malicious mischief is the Arson, Theft or Vandalism and Malicious Mischief Reward sublimit of liability shown in Item 10.B. of the Declarations.

4. CLAIMS PREPARATION COSTS

The Company will pay reasonable and necessary expenses incurred by the **Named Insured** for its:

- a. Accountants, architects, auditors, engineers, or other professionals;
- b. Employees; or
- c. Insurance agent's or broker's subsidiaries, related or associated entities;

to prepare and certify particulars or details of the **Named Insured's** claim required by the Company resulting from a covered loss under this Policy for which the Company has accepted liability.

The Company will not pay for expenses incurred by the **Named Insured** to utilize the services of property managers, attorneys, public adjusters, or any of its subsidiaries, related or associated entities or insurance agents or brokers. The Company will not pay any fees or costs for consultation on coverage or negotiation of claims.

5. CRANE RE-ERECTION EXPENSES

The Company will pay reasonable and necessary expenses incurred by the **Named Insured** to re-erect a tower or pole crane that sustains direct physical loss or damage by a **covered cause of loss**. However, the Company shall not cover any loss or damage to the tower or pole crane itself.

6. CRISIS MANAGEMENT

The Company shall indemnify the **Named Insured** for the reasonable and necessary costs over and above the total costs that normally would have been incurred to continue the scheduled progress of the **insured project** if an order of civil or military authority limits, restricts or prohibits partial or total access to the **insured project**, provided that such order is a direct result of a violent crime, suicide, attempted suicide, death (not including, disease or sickness resulting in death) or armed robbery at such **insured project**.

Coverage begins on the date and time that the order of civil or military authority limits, restricts or prohibits partial or total access to the **insured project** and ends when access to the **insured project** is no longer limited, restricted or prohibited, but in no event for more than the number of days shown in Item 10.B. of the Declarations under Crisis Management.

The **Named Insured** must report any loss under this Additional Coverage within 30 days after the effective date of such order of the civil or military authority.

7. CYBER COVERAGE

a. Electronic Data

The Company will pay for corruption, erasure or alteration of **electronic data** in the **building or other systems** that are incorporated into the **insured project** due to: (1) the introduction of **malicious code** or (2) a **covered cause of loss**.

The Company will not pay for any loss under this Additional Coverage for which coverage is provided under the Building or Other Systems Additional Coverage or would be provided under such Additional Coverage but for the exhaustion of the Building or Other Systems sublimit of liability shown in Item 10.B. of the Declarations.

b. Building or Other Systems

The Company will pay for the **building or other systems** that are incorporated into the **insured project** rendered useless for their intended purpose due to the introduction of **malicious code** which reprograms the software (including firmware) of such **building or other systems**.

c. Plans and Drawings

The Company will pay for corruption, erasure or alteration of **plans and drawings** which are stored as **electronic data** due to the introduction of **malicious code**.

d. Cyber Extra Expense

If coverage is provided under Subsections 7.a., 7.b. or 7.c. above, the Company will also pay the reasonable and necessary costs, over and above normal operating costs, incurred by the **Named Insured** limited to the following and such costs shall not be considered extra expense under any other Additional Coverage:

- i. Conducting an investigation (including a forensic investigation) to determine the cause and scope of the introduction of such **malicious code**; and

- ii. Hiring an expert to consult with the **Named Insured** on: (1) the protection of such **electronic data** and (2) the eradication of such **malicious code**.

e. Additional Exclusions

The following additional exclusions apply to all Additional Coverages set forth in the CYBER COVERAGE Additional Coverage:

- i. The Company will not pay any loss, damage, cost or expense arising out of a breach in confidentiality or privacy of, or release of, any **electronic data** for any reason.
- ii. The Company does not cover theft of any **electronic data** unless there has been corruption, erasure or alteration of **electronic data** and then the Company shall only pay the covered loss that is related to the corruption, erasure or alteration of **electronic data**.
- iii. The Company will not pay any extortion payments or public relations expenses.
- iv. The Company will not pay any loss, damage, cost or expense arising out of **malicious code**, otherwise excluded under this Policy.

The maximum amount the Company will pay for all loss or damage (including corruption, erasure or alteration) under any single Additional Coverage under this CYBER COVERAGE Additional Coverage is the corresponding sublimit of liability for such single Additional Coverage as shown in Item 10.B. of the Declarations, regardless of any other applicable coverages or Additional Coverages.

For the purposes of the CYBER COVERAGE Additional Coverage, Subsection 7.a., 7.b., 7.c., and 7.d. shall each be treated as a separate Additional Coverage.

8. DEBRIS REMOVAL

If covered **property** at the **insured project** sustains direct physical loss or damage by a covered **cause of loss** during the **policy period**, the Company will pay the reasonable and necessary expenses to:

- a. Remove debris of covered **property** remaining from the **insured project**; and
- b. Remove debris of uninsured property from the **insured project**.

The Company will not pay the expense to extract **pollutants or contaminants** from land, water and/or debris, or to remove, restore, or replace contaminated or polluted land or water. In addition, the Company will not cover the cost to remove or transport any property or debris to a site for storage or decontamination required because the property or debris is affected by **pollutants or contaminants**, whether or not such removal, transport or decontamination is required by law, ordinance or regulation nor will the Company cover the cost to remove, transport or decontaminate any property or debris damaged by **fungus, mold or spore**.

9. DEMOLITION AND INCREASED COST OF CONSTRUCTION

In the event of direct physical loss or damage by a covered **cause of loss** to covered **property** that results in the enforcement of any law, ordinance, governmental directive or standard (hereinafter, **law or ordinance**) in effect at the time of loss or damage regulating the repair or rebuilding of the damaged portion(s) of the covered **property**, the Company will pay:

- a. Demolition Coverage A: In accordance with the VALUATION Section, the cost to replace the undamaged portion of the damaged covered **property** as a consequence of the enforcement of a **law or ordinance** that requires demolition of the undamaged portion of the damaged covered **property**;

- b. Demolition Coverage B: For the cost to demolish and clear the site of the undamaged portion of the damaged covered property, as a consequence of the enforcement of a law or ordinance that requires demolition of the undamaged portion or the damaged covered property; and
- c. Demolition Coverage C: For the increased cost of repairing or rebuilding the damaged and undamaged portion of the covered property, limited to the cost that would have been incurred in order to comply with the minimum requirements of such law or ordinance regulating the repair or rebuilding of the damaged covered property.

The Company shall not be liable for any loss under this provision, unless and until the damaged or destroyed covered property is actually repaired or rebuilt on the same premises with exercise of due diligence and dispatch and in no event, unless repair or rebuilding is completed within two (2) years after the destruction or damage of such covered property or within such further time as the Company may allow in writing during the two (2) year period.

The Company shall not be liable for any cost set forth above:

- a. Necessitated by the enforcement of any law or ordinance regulating any form of pollutant or contaminant; or
- b. Incurred due to any law or ordinance with which the Insured was legally obligated to comply with prior to the time of the direct physical loss or damage.

10. EXPEDITING EXPENSE AND EXTRA EXPENSE

The Company will pay reasonable and necessary:

- a. Expediting expenses to make temporary repairs and to expedite the permanent repair or replacement of covered property, that sustains direct physical loss or damage due to a covered cause of loss, including additional wages for overtime, night work, and work on public holidays and the extra costs of express and air freight and extra costs of rental equipment; and
- b. Extra expense which is incurred by the Insured for the purpose of continuing as nearly as practicable the scheduled progress of undamaged work, but only when such scheduled progress is impaired by direct physical loss or damage by a covered cause of loss to the covered property.

In order to receive payment under this provision, the Insured must exercise due diligence and dispatch to maintain the scheduled progress of the undamaged work.

Notwithstanding the foregoing, the Company will not pay expenses incurred:

- a. To comply with any law or ordinance which regulates removal, repair, demolition, construction or re-construction of the covered property;
- b. To overcome delays in the scheduled progress of the work which existed at the time of the loss;
- c. For alterations, additions, improvements or other changes in materials, designs, plans, specifications or the means and methods of construction; or
- d. As owner's extra expense.

11. OWNER'S EXTRA EXPENSE

The Company will pay reasonable and necessary owner's extra expense incurred by the project owner(s), prior to the Expiration Date as described in Item 4. of the Declarations, due to direct physical loss or damage by a covered cause of loss to covered property.

Notwithstanding the foregoing, the Company will not pay expenses incurred:

- a. To comply with any law or ordinance which regulates removal, repair, demolition, construction or re-construction of the covered property;
- b. To overcome delays in the scheduled progress of the work which existed at the time of the loss;
- c. For alterations, additions, improvements or other changes in materials, designs, plans, specifications or the means and methods of construction; or
- d. As extra expense or expediting expenses as set forth under the EXPEDITING EXPENSE AND EXTRA EXPENSE Additional Coverage.

12. FINE ARTS

The Company will pay for direct physical loss or damage by a covered cause of loss to the Insured's fine arts at the insured project for which the value has been included in the total project value. However, the Company will not pay for loss or damage as a result of restoring, repairing or retouching processes.

13. FIRE BRIGADE, EXTINGUISHING EXPENSES AND POLICE CHARGES

The Company will pay the following expenses resulting from a covered cause of loss to covered property incurred by the Insured:

- a. Fire brigade charges and extinguishing expenses;
- b. Loss and disposal of fire extinguishing materials expended; and
- c. Police charges to investigate a covered loss.

14. FUNGUS, MOLD OR SPORE

The Company will pay for direct physical loss or damage to covered property caused by or resulting from fungus, mold or spore, when such fungus, mold or spore arises out of a covered cause of loss that commences during the policy period. This coverage includes reasonable and necessary cost or expense with respect to the insured project to:

- a. Clean-up, remove, contain, treat, detoxify or neutralize fungus, mold or spore;
- b. Test the indoor air quality for fungus, mold or spore;
- c. Test the surfaces and materials for fungus, mold or spore;
- d. Develop and implement a remediation plan for fungus, mold or spore; and
- e. Remove debris that has been contaminated with fungus, mold or spore.

15. HOT TESTING

The Company will pay for direct physical loss or damage to covered property at the insured project due to a covered cause of loss arising out of hot testing during the hot testing period.

The hot testing period means the period of time that:

- a. Begins with the introduction into each system of: (1) feedstock or other raw materials or (2) fuel supply, and

- b. Ends on the earliest of the following:
 - i. The Expiration Date or earlier termination date of the Policy;
 - ii. The date of formal acceptance of the **insured project** or any part of the **insured project** undergoing **hot testing** by the **project owner(s)**; or
 - iii. The date after the total number days of **hot testing**, whether or not consecutive, as shown in Item 10.B. of the Declarations (referred to as the Maximum Hot Testing Period), after the commencement of **hot testing**.

Hot testing means testing of equipment or machinery through the introduction into a system of: (1) feedstock or other raw materials or (2) fuel supply. **Hot testing** does not mean testing of building systems including, but not limited to, electrical, mechanical, hydraulic, hydrostatic and pneumatic testing which shall be deemed to be cold testing.

16. LANDSCAPING MATERIALS

The Company will pay for direct physical loss or damage by a **covered cause of loss** to **landscaping materials** at the **insured project**, except for loss or damage to **landscaping materials** from infestation, disease, freeze, drought, lack of moisture, hail, weight of ice or snow or any damage caused by insects, vermin, rodents or animals.

As used herein, **landscaping materials** means trees, plants, shrubs, grass and lawns (including fairways, greens and tees) for which the **Insured** is contractually responsible and the value of which has been included in the **total project value**.

For the purpose of applying the sublimit of liability, "one item" shall mean: (1) any one tree, plant, shrub, green or tee, or (2) each separate area of a fairway or grass, bounded by rough vegetation, water, dirt, concrete or paved surfaces on all sides.

17. LOGISTICS EXTRA COSTS

The Company will pay the reasonable and necessary extra cost incurred by the **Insured** to temporarily continue, as nearly normal as practicable, the movement of **covered property** directly between the location of the **Insured's** direct supplier and the **insured project**, provided that the normal movement of such **covered property** is disrupted as a result of direct physical loss or damage by a **covered cause of loss** to bridges, roadways, tunnels, docks, piers, wharves runways, taxiways, tarmacs, terminals, and/or railways (hereinafter, **infrastructure**) located in the **coverage territory**.

Coverage begins:

- a. 48 hours after such disruption; or
- b. In the case of disruption caused by **earth movement, flood or windstorm or hail**, 168 hours after such disruption;

and ends when, with exercise of due diligence and dispatch, the normal movement of the **covered property** could be resumed (hereinafter, the **waiting period deductible**). Any **waiting period deductible** shall apply in addition to any other deductible(s) applicable to the **covered cause of loss** that resulted in damage to the **infrastructure**. Such other deductible(s) shall be subject to a minimum deductible of the Policy Deductible.

The following additional exclusions apply to this Additional Coverage. The Company will not pay for:

- a. Any loss resulting from disruption of electricity, gas, fuel, water, steam, sewerage, refrigeration, cloud computing service, or any data, voice or video service;
- b. Any costs that would have been incurred during the same period had there been no disruption of normal movement of goods or materials;
- c. Any costs for the repair or replacement of property that has been damaged or destroyed; or
- d. Any costs recoverable elsewhere under this Policy.

18. PLANS AND DRAWINGS

The Company will pay for direct physical loss of or damage by a covered cause of loss to plans and drawings.

19. POLLUTION AND CONTAMINATION COVERAGE

The Company will pay the reasonable and necessary expenses incurred by the Insured to:

- a. Remove, extract, dispose of, or clean-up the actual presence of pollutants or contaminants from land or water at the insured project;
- b. Remove and transport property or debris at the insured project that is affected by pollutants or contaminants to a site for storage or decontamination; and
- c. Test for pollutants or contaminants during the extraction of pollutants or contaminants from land or water at the insured project;

but only if the pollutants or contaminants originate at the insured project due to direct physical loss or damage by a covered cause of loss during the policy period. There will be no coverage unless such expenses are reported to the Company within 180 days after the date of such direct physical loss or damage.

20. PRESERVATION OF PROPERTY

The Company will pay for:

- a. Reasonable and necessary costs, over and above normal operating costs, incurred by the Insured for actions to temporarily protect or preserve covered property, and
- b. Direct physical loss or damage by a covered cause of loss to covered property removed from the insured project,

provided that such actions or removal is necessary due to imminent direct physical loss or damage by a covered cause of loss to covered property. If covered property is removed to and located at offsite temporary storage in accordance with this provision, then the OFFSITE TEMPORARY STORAGE Additional Coverage shall apply.

21. PROFESSIONAL DESIGN FEES

In the event of direct physical loss or damage by a covered cause of loss to the insured project, the Company will pay the reasonable and necessary expenses incurred by the Insured for architects, engineers or other design professionals to redesign the damaged portion of the insured project in accordance with the design as set forth in the contract documents on the date of loss.

SECTION III - VALUATION

Unless otherwise provided in this Policy, the basis of adjustment of a claim shall be as follows, at the time and place of the loss:

- A. **Permanent Works** - The cost to repair or replace (whichever is less) the **permanent works** that sustained loss or damage at the time and place of the loss with material of like kind and quality, less betterment, and including contractor's reasonable profit and overhead in the same proportion as that included in the **contract documents** to the extent declared as part of the **total project value**. If the **permanent works** are not repaired or replaced within 2 years after the date of loss, then the Company shall pay the actual cash value of such **permanent works** at the time and place of the loss.
- B. **Temporary Works** - With respect to **temporary works** that sustain loss or damage, the lesser of: (1) the cost to repair or replace (whichever is less) the **temporary works** at the time and place of loss with materials of like kind and quality, but if not repaired or replaced within 2 years after the date of loss, the recovery will not exceed actual cash value or (2) the value that the **Insured** is legally required to pay for the **temporary works** as set forth in the lessor's contract.
- C. **Property of others** - The lesser of: (1) the cost to repair or replace (whichever is less) the **property of others** that sustained loss or damage at the time and place of loss with material of like kind and quality, less betterment and/or charges incurred by the contractor prior to the loss and related to such property or (2) the property owner's cost.
- D. **Property in Inland Transit** - The invoice cost of property in **inland transit** plus accrued shipping charges less the shipper's liability, if any.
- E. **Plans and Drawings** - If replaced, the cost to reproduce the **plans and drawings** (in physical or electronic data format) from duplicates, or if no duplicates are available, then the cost to research, gather and/or assemble the information to recreate such **plans and drawings**. If not replaced, the value of the blank material.
- F. **Landscaping Materials** - (1) The cost to replace **landscaping materials** with property of like kind and quality, and (2) the labor necessary to replace such property.
- G. **Fine Arts** - The least of the following: (1) the cost to repair or replace the **fine arts**; (2) the appraised value at the time of the loss had no loss or damage occurred or (3) the agreed value, if any, on file with the Company.
- H. **Electronic Data** - The cost of reproducing **electronic data** from duplicates to the condition that existed prior to the time of the loss, or if no duplicates exist, then the cost to research, gather and/or assemble the **electronic data**. If the **electronic data** is not replaced, then the value of the blank media.

SECTION IV - PROPERTY NOT COVERED

Except as otherwise provided under the Additional Coverages (and in such event, only to the extent provided therein), the Company does not insure the following property:

- A. Land and land values and the value of cut, fill and backfill materials existing at the location of the **insured project** prior to project commencement; however, to the extent identified in the **contract documents** and included in the **total project value**, fill and backfill materials purchased for use in the completion of the **insured project** are covered. Labor and material charges incurred to excavate land and to move, remove, place or otherwise handle cut, fill and backfill materials, whether insured or uninsured, are covered to the extent such charges are identified in the **contract documents** and included in the **total project value**;

- B. (i) Contractors' tools, machinery, plant and equipment, including spare parts and accessories, whether owned, loaned, hired or leased, and
 - (ii) Property of a similar nature not intended to be a permanent part of the completed **insured project**,
 regardless of ownership, unless specifically provided by endorsement and then only to the extent provided therein;
- C. Vehicles or equipment licensed for highway use, aircraft including drones or watercraft, except with respect to drones only, if such drones are owned and used by the **Insured** as part of the operations at the **insured project**;
- D. Railcars and locomotives;
- E. Water, except water that is contained within any enclosed tank, piping system, or **processing water**;
- F. Standing timber, growing crops or animals;
- G. Trees, plants, shrubs, grass or lawns (including fairways, greens or tees) that already exist at the **insured project**;
- H. Landscaping materials;
- I. Plans and drawings;
- J. Accounts, bills, stamps, deeds, evidence of debt, checks, bonds, notes, **money**, **fine arts**, precious metals or precious stones or other property of a similar nature;
- K. **Existing property** at the location of the **insured project**, unless specifically provided by endorsement and then only to the extent provided therein;
- L. **Used machinery and equipment** while undergoing any form of testing, commissioning or startup, unless specifically provided by endorsement and then only to the extent provided therein;
- M. Transmission, distribution or communication lines, except to the extent identified in the **contract documents**;
- N. Property not at an **insured project** unless covered under the INLAND TRANSIT Additional Coverage, OFFSITE TEMPORARY STORAGE Additional Coverage or by endorsement; or
- O. Electronic data.

SECTION V - PERILS EXCLUDED

- A. Except as otherwise provided under the Additional Coverages (and in such event, only to the extent provided therein), the Company does not insure for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event contributing concurrently or in any sequence to the loss or damage. The following exclusions apply whether or not the loss event results in widespread damage or affects a substantial area:
 - 1. Nuclear reaction or nuclear radiation or radioactive contamination from any cause, all whether direct or indirect, controlled or uncontrolled, proximate or remote, or contributed to or aggravated by a **covered cause of loss**. However, if fire or sprinkler leakage not otherwise excluded ensues, the Company shall be liable for direct physical loss or damage by such ensuing fire or sprinkler leakage, but not including any loss or damage due to nuclear reaction, nuclear radiation, or radioactive contamination;

2. a. War, hostile or warlike action in time of peace or war, whether or not declared, including action in hindering, combating, or defending against an actual, impending, or expected attack:
 - i. By any government or sovereign power (de jure or de facto) or by any authority maintaining or using military, naval, or air forces; or
 - ii. By military, naval, or air forces; or
 - iii. By an agent of any such government, power, authority, or force;
- b. Any weapon employing atomic fission, fusion or radioactive force, or any weapon that disperses radioactive material or a directed-energy or electromagnetic weapon, whether in time of peace or war, whether or not its discharge was accidental; or
- c. Insurrection, rebellion, revolution, civil war, usurped power, seizure or destruction or any action taken by governmental authority in hindering, combating, or defending against such event;

Including any consequence of Subsection a., b., or c. above;

3. The actual, alleged or threatened release, discharge, escape or dispersal of **pollutants or contaminants**, all whether direct or indirect, proximate or remote or in whole or in part caused by, contributed to or aggravated by any covered cause of loss under this Policy.

However, this exclusion shall not apply to direct physical loss or damage to **covered property** from **pollutants or contaminants** caused by a covered cause of loss at the **insured project**, including the cost to clean-up **pollutants or contaminants** from **covered property** at the **insured project** resulting from such loss or damage. No coverage is provided for testing or monitoring for **pollutants or contaminants**. For the purpose of the exception to this exclusion only, **pollutants or contaminants** do not include radioactive contaminants;

4. Dispersal, discharge, or release of pathogenic, toxic, poisonous, or damaging biological or chemical agents or substances by any cause whatsoever;
5. Asbestos, dioxins or polychlorinated biphenols (hereinafter, **material(s)**) including:
 - a. **Material(s)** removal;
 - b. Demolition or increased cost of reconstruction, repair, debris removal or loss of use necessitated by the enforcement of any law or ordinance regulating **material(s)**;
 - c. Any governmental order or direction declaring that any **material** which is present in or part of or utilized on any portion of the **insured project** must be removed or modified;
6. a. Any functioning or malfunctioning or lack of the internet or similar facility, or of any intranet or private network, computer system, computer or computing device or similar facility;
- b. Any corruption, destruction, distortion, erasure or other loss or damage to data, coding, program, or software;
- c. Loss of use or functionality whether partial or entire of data, coding, program, software, any computer or computer system or other device and any ensuing liability or failure of the **Insured** to conduct business;

all unless direct physical loss or damage not otherwise excluded by this Policy ensues, in which event, the Company shall cover only such ensuing loss or damage at the **insured project**;

7. Error or omission in machine programming or instructions of **electronic data**, including, loss attributable to program design constraints, networking compatibility and original business software; all unless direct physical loss or damage not otherwise excluded by this Policy ensues, in which event, the Company shall cover only such ensuing loss or damage at the **insured project**;
 8. Lack of incoming electricity, fuel, water, gas, steam, refrigeration, or outgoing sewerage, or incoming or outgoing data, voice or video service; all unless direct physical loss or damage not otherwise excluded by this Policy ensues, in which event, the Company shall cover only such ensuing loss or damage, but only if: (1) such ensuing loss or damage is caused by a lack of incoming electricity, fuel, water, gas, steam or refrigeration from an offsite service provider and (2) such ensuing loss or damage is to equipment or machinery that is part of the **permanent works of the insured project** and is not operational at the time of the loss. This exception does not apply to **hot testing**.
 9. Any loss or damage arising out of **hot testing**;
 10. Infidelity, dishonesty or fraudulent activity of any **Insured** or any of the **Insured's** proprietors, partners, officers, directors, trustees, employees or others with whom the property is entrusted (other than a carrier for hire). However, a willful act of destruction by the **Insured's** employee without the knowledge of any of the **Insured's** proprietors, partners, officers, directors or trustees is covered;
 11. Any act that: (1) causes corruption, erasure or deletion of **electronic data**, including the rendering of any equipment or machinery useless, or (2) prevents access to or use of computer hardware, software or other components thereof; all unless direct physical loss or damage not otherwise excluded by this Policy ensues, in which event, the Company shall cover only such ensuing loss or damage.
 12. **Fungus, mold or spore**; or any spores or toxins created or produced by or emanating from such **fungus, mold or spore**; all unless direct physical loss or damage not otherwise excluded by this Policy ensues, in which event, the Company shall cover only such ensuing loss or damage;
 13. Confiscation, seizure, appropriation, expropriation, nationalization, requisition for use or title, or willful destruction by any government, sovereign power, civil authority or military authority (de jure or de facto); or
 14. Loss or damage arising out of any covered cause of loss or Additional Coverages for which the words NOT COVERED or for which an amount or number of days is not shown in Item 10. of the Declarations.
- B.** Except as otherwise provided under the Additional Coverages (and in such event, only to the extent provided therein), the Company will not pay for loss or damage caused by or attributable to any of the following:
1. Indirect, remote or consequential loss or damage;
 2. Delay, loss of market or loss of use;
 3. Delay in completion of the **insured project**, unless specifically provided by endorsement and then only to the extent provided therein;
 4. Any business interruption loss, **extra expense, owner's extra expense**, expediting expenses, expenses to reduce loss, loss of rental income and other economic losses;
 5. Liquidated damages, performance penalties, penalties for non-completion, late completion or non-compliance with contract conditions;

6. Loss, damage, costs, expenses, fines or penalties incurred or sustained by or imposed on the **Insured** at the order of any government agency, court or other authority arising from any cause whatsoever;
7. Loss, damage, or expense covered under any written or implied guarantee or warranty by any contractor, manufacturer or supplier, whether or not such contractor, manufacturer or supplier is an **Insured**, but only to the extent such loss, damage, or expense should have been recovered under such written or implied guarantee or warranty;
8. Unexplained or mysterious disappearance, loss or shortage disclosed on taking inventory;
9. Normal: subsidence, heave, settling, cracking, expansion, contraction or shrinkage of walls, floors, ceilings, buildings, foundations, patios, walkways, driveways or pavements, all unless direct physical loss or damage not otherwise excluded by this Policy ensues, in which event, the Company shall cover only such ensuing loss or damage;
10. a. Faulty workmanship, material, construction or installation from any cause; or
b. Any fault, defect, error, deficiency or omission in any design, plans, or specifications;

all unless direct physical loss or damage not otherwise excluded by this Policy ensues, in which event, the Company shall cover only such ensuing loss or damage; or
11. Wear and tear, erosion, inherent vice, latent defect, corrosion, rust, wet or dry rot, evaporation, shrinkage, or change in color, flavor, texture or finish, extremes or changes of temperature damage, or changes in relative humidity damage, all whether atmospheric or not or gradual deterioration, all unless direct physical loss or damage not otherwise excluded by this Policy ensues, in which event, the Company shall cover only such ensuing loss or damage.

SECTION VI - CONDITIONS APPLICABLE TO LOSS ADJUSTMENT AND SETTLEMENT

A. ABANDONMENT

There can be no abandonment of any property to the Company.

B. ADJUSTMENT OF LOSSES

Loss or damage will be adjusted with the **Named Insured** and shall be payable as directed in writing by the **Named Insured** subject to: mortgagee; lender; or similar interests; as their interests may appear as shown on the Certificates of Insurance or any endorsement attached to and forming a part of the Policy. The effective date of any interests will be the issue date of the Certificate of Insurance unless a later date is specified on the Certificate of Insurance.

Notwithstanding the foregoing, if the Company is prohibited from adjusting and making payment in accordance with the preceding paragraph, the Company will adjust and make payment to the **Named Insured**.

C. APPRAISAL

If the **Named Insured** and the Company disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In such event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If the appraisers cannot agree on an umpire, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the replacement cost and actual cash value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and

2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, it is without prejudice to the Company's rights under the terms and conditions of this Policy and the Company's right to deny the claim in whole or in part.

D. PARTIAL PAYMENT OF LOSS

In the event the amount of loss or damage for which the Company is liable is determined by the Company to be in excess of the applicable deductible, the Company may advance partial payment(s) with respect to any claim, subject to all other terms and conditions of this Policy.

E. REQUIREMENTS IN CASE OF LOSS OR DAMAGE

In case of loss or damage, the **Insured** shall:

1. Give written notice of any loss or damage to the Company as soon as practicable after the date of such loss or damage;
2. Promptly contact the applicable authority having jurisdiction in the event a law has been broken, and promptly file a written report with such authority;
3. Protect the property from further loss or damage;
4. Separate the damaged and undamaged property;
5. Maintain such property in the best possible order;
6. Furnish a complete inventory of the lost, destroyed, damaged and undamaged property, showing in detail quantities, costs, actual cash value and amount of loss claimed;
7. Allow the Company to examine and audit the **Insured's** books and records at any reasonable time for the purpose of investigating or verifying any claim;
8. Furnish all other documents or insurance policies that the Company may reasonably require;
9. Allow the Company to access and inspect any damaged or undamaged property;
10. Submit to examination under oath at such times as the Company reasonably may require concerning any matter relating to this insurance or any claim;
11. Cooperate with the Company in all aspects of any claim and provide the Company with any additional information that the Company requires; and
12. Provide the Company with a proof of loss, signed and sworn to by the **Named Insured** as soon as practicable, but in no event more than 90 days after a loss, stating the **Insured's** knowledge and belief as to the following:
 - a. The time and origin of the loss;
 - b. The **Insured's** interest and the interest of all others in the property;
 - c. The value of each item thereof determined in accordance with the VALUATION Section and the amount of loss thereto and all encumbrances thereon;
 - d. All other contracts of insurance, whether collectible or not, covering any of the covered property; and

- e. Any changes in the title, use, occupancy, location, possession or exposures of the **covered property** subsequent to the issuance of this Policy, by whom and for what purpose any building herein described and the several parts thereof were occupied at the time of loss, whether or not it then stood on leased ground.

F. SETTLEMENT OF CLAIMS

The amount of loss for which the Company may be liable shall be payable within 30 days after proof of loss, as herein required, is received and agreed to by the Company or the amount of loss is determined by appraisal in accordance with the APPRAISAL Subsection of the CONDITIONS APPLICABLE TO LOSS ADJUSTMENT AND SETTLEMENT Section.

The Company shall have the option to take all or any part of the property at the agreed or appraised value, or to repair, rebuild or replace the property physically lost or damaged with other of like kind and quality, within a reasonable time, upon providing the **Named Insured** with notice of the Company's intention to do so within 60 days after the Company's receipt of the proof of loss herein required.

G. SUBROGATION

The Company may require from the **Insured** an assignment of all rights of recovery against any party for loss to the extent that payment is made by the Company. However, the **Insured** has the right to waive subrogation, provided such waiver is entered into by the **Insured** in writing prior to the loss. The **Insured** will do nothing after a loss to prejudice such rights of subrogation.

Notwithstanding the foregoing, it is a condition of this Policy that the Company shall be subrogated to all the **Insured's** rights of recovery against:

1. Any architect or engineer, whether named as an **Insured** or not, for any loss or damage arising out of the performance of professional services in their capacity as such and caused by an error, omission, deficiency or act of the architect or engineer, by any person employed by them or by any others for whose acts they are legally liable; and
2. Any manufacturer or supplier of machinery, equipment or other property, whether named as an **Insured** or not, for the cost of making good any loss or damage regardless of any guarantee or warranty, whether express or implied.

Any recovery by the Company as a result of subrogation proceedings arising out of an **occurrence**, after expenses, including the Company's legal fees, incurred in such subrogation proceedings are deducted, shall accrue to the **Insured** in the proportion that the deductible amount and/or any provable uninsured loss amount bears to the entire provable loss amount.

The **Insured** will cooperate with the Company and, upon the Company's request and expense will:

1. Attend hearings and trials;
2. Assist in effecting settlements, securing and giving evidence, obtaining the attendance of witnesses, and conducting suits.

H. SUIT AGAINST COMPANY

No suit, action or proceeding for the recovery of any claim under this Policy shall be sustainable in any court of law or equity unless the same be commenced within 24 months immediately after the date of the loss, provided however, that if under the laws of the applicable jurisdiction such time limitation is unenforceable, then the period within which such action or proceeding must be commenced shall be the shortest period of time permitted by the laws of such jurisdiction.

SECTION VII - GENERAL CONDITIONS

A. ASSIGNMENT

The Insured may not assign this Policy without the Company's prior written consent.

B. CANCELLATION

This Policy may be cancelled by the Named Insured at any time by surrendering this Policy to the Company or by mailing or delivering to the Company written notice stating when thereafter such cancellation shall take effect. The Company may cancel this Policy by giving the Named Insured written notice stating when, not less than 90 days thereafter, or 10 days thereafter for nonpayment of premium, such cancellation shall be effective.

The Company shall pay return premium to the Named Insured on a pro-rata basis if the Company cancels and on a short rate basis (meaning 90% of the unearned premium) if the Named Insured cancels.

Payment or tender of any unearned premium by the Company shall not be a condition precedent to the effectiveness of cancellation, but such payment shall be made as soon as practicable.

If any specific state amendatory endorsement provides less than 90 days notice of cancellation for reasons other than nonpayment of premium, where permitted by law, the Company shall provide the 90 days notice set forth herein.

C. CONCEALMENT, MISREPRESENTATION OR FRAUD

This Policy is voidable by the Company if any Insured, whether before or after a loss, has willfully concealed or misrepresented any material fact or circumstance concerning this insurance or the subject thereof or has committed any act of fraud, attempted fraud or false swearing concerning any matter relating to this insurance or the subject thereof.

D. CONFORMANCE TO STATUTE

Any provisions of this Policy which are in conflict with statutes applicable to this Policy are understood, declared and acknowledged by the Company to be amended to conform to such statutes.

E. ECONOMIC AND TRADE SANCTIONS

The Company shall not be deemed to provide cover and the Company shall not be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose this Company, its parent company or its ultimate controlling entity to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or the United States of America.

F. ERRORS OR OMISSIONS

No unintentional errors or omissions in any information required to be reported to the Company will prejudice the Insured's rights of recovery, but the Insured shall report the correct information to the Company as soon as practicable when discovered and the Insured shall pay any additional premium when due.

G. GOVERNING LAW

Any interpretation of this Policy or issue relating to its construction, validity or operation shall be determined by the laws of the United States or of any applicable state in the United States. The parties will submit to the exclusive jurisdiction of the applicable court within the United States.

H. INCREASE IN HAZARD

If the circumstances in which this insurance was entered into shall be altered or if the risk shall be materially increased, the **Insured** shall as soon as possible give notice in writing to the Company. In the event there is a material increase in the risk, the Company reserves the right to change the terms or conditions of this Policy or cancel this Policy (if allowable by law).

I. INSPECTION

The Company shall be permitted, but not obligated, to inspect **covered property** at all reasonable times during the **policy period**. Neither the Company's right to make inspections nor the making thereof nor any report thereon shall constitute any undertaking by the Company, on behalf of or for the benefit of the **Insured** or others, to determine or warrant that such **covered property** is safe or healthful or that such **covered property** complies with any law, rule, regulation, code, engineering or industry standard.

J. LIBERALIZATION

If the Company adopts a standard revision to the Company's Completed Value Builders Risk Construction Performance Policy that would broaden the coverage under this Policy within 45 days prior to the inception date of this Policy or during the **policy period** of this Policy and if no additional premium is required for such revision, then the broadened coverage will immediately apply to this Policy.

K. NAMED INSURED

If this Policy insures more than one person or organization, the **Named Insured** is authorized to act on behalf of all other **Insureds** with respect to such **Insureds'** rights, obligations, and duties under this Policy including, but not limited to, the giving and receiving of notices under this Policy. Payment of loss or return premium under this Policy to the **Named Insured** shall satisfy the Company's obligations with respect to all **Insureds** under this Policy.

L. NO BENEFIT TO BAILEE

No person or organization, other than the **Insured**, having custody of **covered property** will benefit from this insurance.

M. OTHER INSURANCE

1. An **Insured** may have other insurance. If such **Insured** does have other insurance, the Company will pay its share of the covered loss or damage. Subject to the exceptions as set forth in 2. below, the Company's share is the proportion that the applicable limit/sublimit of liability under this Policy bears to the limits/sublimits of liability of all insurance covering the loss or damage.
2. If there is other insurance as described below, the Company will pay under this Policy only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether the **Insured** can collect on it or not:
 - a. The property covered under this Policy is also covered under another policy, in which such property is more specifically described; or

- b. The other insurance covers the **Insured's** interest or the interest of others in property which the **Insured** does not own.

N. PAIR AND SET

In the event of loss or damage to any part of **covered property** consisting, when complete for use, of several parts, the Company will only be liable for the value of the part lost or damaged.

O. PREMIUM ADJUSTMENT

1. During the Term of the Policy:

- a. At the time of any extension of this Policy or if the scope or value of the **insured project** changes beyond the percentage set forth in the Margin Clause shown on the Declarations, the **Named Insured** shall report in writing to the Company the **adjusted total project value** as of the date of such extension or change order.
- b. The adjusted premium shall be calculated by applying the rates as shown in Item 8. of Declarations used for the purpose of computing the Deposit Premiums to the amended term of coverage and the **adjusted total project value**.
- c. If the adjusted premium so calculated differs from the Total Deposit Premium shown in Item 8. of the Declarations (or the previous revision of the Total Deposit Premium), such difference shall be due and payable to the Company or the **Named Insured**, whichever is applicable.

2. Upon Expiration or Cancellation of the Policy:

- a. At the time of expiration or cancellation of this Policy, the **Named Insured** shall report in writing to the Company the **adjusted total project value** as of the Expiration Date or the effective date of cancellation.
- b. The final earned premium for this Policy shall be calculated by applying the rates as shown in Item 8. of Declarations used for the purpose of computing the Deposit Premiums to the actual term of coverage and the **adjusted total project value**.
- c. If the premium so calculated differs from the Total Deposit Premium shown in Item 8. of the Declarations (or the previous revision of the Total Deposit Premium), such difference shall be due and payable to the **Named Insured** or the Company, whichever is applicable.

P. PRESERVATION OF PROPERTY

In case of imminent loss or damage, the **Insured** must make reasonable efforts to protect property from such loss or damage.

Q. RECOVERY FROM OTHER PARTIES

No loss or damage in whole or in part shall be paid hereunder to the extent the **Insured** has collected such loss or damage from others.

R. SALVAGE AND RECOVERIES

All salvages, recoveries, and payments, excluding proceeds from subrogation and underlying insurance recovered or received prior to a loss settlement under this Policy, shall reduce the loss accordingly.

S. TITLES

The titles in this Policy are solely for reference and shall not in any way affect the provisions to which they relate.

SECTION VIII - DEFINITIONS

1. **Additional Insured(s)** means those **Insureds** shown in Item 2. of the Declarations.
2. **Adjusted total project value** means the **total project value** that may be adjusted during the **insured project** or if previously adjusted, any adjustments to the revised **total project value**.
3. **Building or other system(s)** means:
 - a. Equipment and machinery; and/or
 - b. Manufacturing or structural system(s), such as a HVAC, instrumentation, electrical, mechanical or control system(s);that are incorporated into the **insured project**.
4. **Collapse** means an abrupt falling down or caving in of a building or structure or any part of a building or structure.
5. **Contract documents** means the contract(s) or agreement(s), as may be amended, on file with the **Insured** for the **insured project**.
6. **Coverage territory** means the coverage territory as shown in Item 6. of the Declarations.
7. **Covered cause(s) of loss** means a peril or other type of loss, not otherwise excluded under this Policy.
8. **Covered property** means property as described in the COVERED PROPERTY Subsection of the INSURING AGREEMENT AND COVERED PROPERTY Section which is not otherwise excluded under the PROPERTY NOT COVERED Section, for which the **Insured** is contractually responsible and the value of which has been included in the **total project value**.
9. **Electronic data** means data, messages, information, coding, programs, instructions or software in a form suitable for communications, storage, or processing by electronic, electromechanical, electromagnetic data processing or electronically controlled production equipment. **Electronic data** does not include electronic storage media.
10. **Existing property** means existing buildings and/or permanent structures, including equipment and apparatus used to maintain or service the buildings or structures, that existed prior to the inception date of this Policy and is located at the **insured project**. **Existing property** does not include personal property, any property located outside of the existing buildings and/or permanent structures, and/or any underground utilities of any kind or description.
11. **Extra expense** means the excess costs over and above the total costs that would normally have been incurred to continue the scheduled progress of the undamaged work in the absence of such loss or damage, including:
 - a. Labor, supervision, management and administration costs;
 - b. Equipment rental, temporary use of property;
 - c. Emergency expenses, additional security; and

d. Demobilization and remobilization of equipment and facilities;

all when necessarily incurred to reduce time delays in the contract schedule.

12. **Fine arts** means paintings; etchings; pictures; tapestries; rare or art glass; art glass windows; valuable rugs; statuary; sculptures; antique furniture; antique jewelry; porcelains; and similar property of rarity, historical value, or artistic merit, excluding automobiles, coins, stamps, furs, jewelry, precious stones, precious metals, watercraft, aircraft and **money**.

13. **Fungus, mold or spore** means:

a. **Fungus** including, but not limited to, any of the plants or organisms belonging to the major group fungi, lacking chlorophyll, and including **mold**, yeast, rusts, mildews, smuts and mushrooms;

b. **Mold** including, but not limited to, any superficial growth produced on damp or decaying organic matter or on living organisms, and **fungi** that produce **mold**; and/or

c. **Spore** including, but not limited to, any dormant or reproductive body produced by or arising or emanating out of any **fungus, mold**, mildew, plants, organisms or microorganisms.

14. **Insured(s)** means the **Named Insured(s)** and the **Additional Insured(s)**.

15. **Insured project** means the construction project as described in Item 5. of the Declarations, for which values have been reported and are included in the **total project value**.

16. **Malicious code** means any unauthorized code designed to cause corruption, erasure or alteration of electronic data.

17. **Money** means:

a. Currency, coins, bank notes, bullion, traveler checks, registered checks, money orders; and

b. Negotiable and non negotiable instruments or contracts representing money including: tokens, tickets, revenue stamps and other stamps (whether represented by actual stamps or unused value in a meter), and evidence of debt issued in connection with credit card or charge cards that are issued to the **Insured**.

18. **Named Insured** means the **Named Insured(s)** shown in Item 1. of the Declarations.

19. **Occurrence** means any one accident, loss, disaster, casualty, incident or series of accidents, losses, disasters, casualties or incidents, including all resultant or concomitant insured losses, not otherwise excluded by this Policy and with respect to:

a. **Terrorism** (to the extent **terrorism** is covered), arises out of the same or related purpose or cause; or

b. Covered perils other than **terrorism**, arises out of a single event or originating cause.

The **occurrence** must occur during the **policy period**.

When the term applies to loss or losses from the perils of **windstorm or hail, named storm, riot, strike or civil commotion, vandalism and malicious mischief, earth movement, flood or terrorism**, to the extent any such peril(s) are covered, all losses arising from such peril(s) occurring during a continuous period of 72 hours shall be deemed to be a single **occurrence**. The **Named Insured** may elect the moment at which the 72 hour period shall be deemed to have commenced, which shall not be earlier than the time when the first loss occurs to the **covered property**, but no two such 72 hour periods shall overlap.

If the occurrence commences during this **policy period**, then the Company shall treat the entire occurrence as occurring during this **policy period**.

- 20. Owner's extra expense** means the following expenses:
- a. Advertising and marketing expense;
 - b. Legal and accounting fees;
 - c. License and permit fees; and
 - d. Project management fees.
- 21. Plans and drawings** means plans, blueprints, drawings, renderings, specifications or other contract documents and models (whether in physical or electronic data format) for the **insured project** stored anywhere in the world. Such **plans and drawings** do not include machine programming instructions including, Building Information Modelling ("BIM").
- 22. Policy Limit** means the limit of liability shown in Item 9. of the Declarations.
- 23. Policy period** means the policy period as described in Item 4.A. and Item 4.B. of the Declarations.
- 24. Pollutants or contaminants** means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste, which after its release can cause or threaten damage to human health or human welfare or causes or threatens damage, deterioration, loss of value, marketability or loss of use to property insured hereunder, including, but not limited to, bacteria, virus, or hazardous substances. Waste includes materials to be recycled, reconditioned or reclaimed. **Pollutants or contaminants** do not include fungus, mold or spore.
- 25. Processing water** means water used directly in the **Insured's** business process that is contained within any enclosed tank, piping system or any other processing equipment.
- 26. Project owner(s)** means the project owner(s) shown in Item 5. of the Declarations.
- 27. Riot, strike or civil commotion** means riot or civil commotion including, but not limited to:
- a. Acts of striking employees while occupying an **insured project**; and
 - b. Pilferage or looting occurring at the time and place of a riot or civil commotion.
- 28. Total project value** means the total value of **permanent works** (including **landscaping materials**), **temporary works** and **property of others**; plus labor costs that will be expended to construct the **insured project**; plus site general conditions, construction management fees, and contractor's profit and overhead as stated in the **contract documents** as the "total project value", "total contract value", or other similar description.
- 29. Used machinery and equipment** means any mechanical or electrical machine or equipment, including a pressure or non-pressure vessel, which has been previously installed or refurbished or is no longer under a manufacturer's warranty.
- 30. Vandalism and malicious mischief** means willful and malicious damage to, or destruction of, covered property.
- 31. Windstorm or hail** means the direct action of wind or the direct action of hail, whether accompanied by wind or not. However, **windstorm or hail** does not mean:

- a. Loss or damage caused by or resulting from frost or cold weather, ice (other than hail), snow or sleet, whether driven by wind or not;
- b. Loss or damage to the interior of any building or structure, or the property inside the building or structure, caused by rain, snow, sand or dust, whether driven by wind or not, unless the building or structure first sustains wind or hail damage to its roof or walls through which the rain, snow, sand or dust enters; or
- c. Loss or damage caused when weight of snow, rainwater, ice or sleet is a contributing factor to the fall or collapse of a building or structure or any part thereof.