



Builder's Risk Endorsement

In addition to the Terms, Conditions, Exclusions in your MOC and this endorsement amends and modifies your MOC to include coverage for Builder's Risk

Please read it carefully

MEMORANDUM NUMBER: NCR 00600-17

COVERED PARTY: Sample Unified School District, Construction Manager, General Contractor, contractors and sub contractors of any tier are Additional Covered Party

DESCRIPTION OF COVERED PROJECT: Sample Intermediate School, 1234 Iris Lane, Marysville, CA 95901

WHEN COVERAGE BEGINS: 12/22/2008

WHEN COVERAGE ENDS: 07/01/2009

PROJECT TERM: 12/22/2008 – 01/15/2010

LIMIT OF LIABILITY: \$7,467,804 per Occurrence

SUB LIMITS: Refer to MOC and Endorsement

MRL(S): \$25,000 per Occurrence

SOFT COSTS LIMIT OF LIABILITY: NIL

SOFT COSTS WAITING PERIOD: NIL

ADDITIONAL CONTRIBUTION: \$10,534

EQUIPMENT BREAKDOWN CONTRIBUTION: Declined

Endorsement Number: 5BR

Issued 01/20/09

Builders Risk Coverage Period:

Coverage begins on the **Start Date** which is the effective date as stated on this endorsement. Coverage ends after the earliest of the following:

- a. When the property is occupied in whole, put to its intended use, or leased or rented to others.
- b. This Memorandum expires
- c. 90 days after the construction is complete and formally accepted by the governing board

If there are multiple **Covered Projects** or structure(s), the termination of coverage will apply separately to each **Covered Project** or structure(s).

Builders Risk Coverage Extensions:

The **Authority** will pay sums in excess of the Builders Risk Member Retained Limit, up to the limits specified in the Memorandum and Endorsement, for Coverage Extensions:

1. Temporary Offsite Storage

The **Authority** will pay for covered direct physical loss or damage to property while in offsite storage.

The most the **Authority** will pay for loss under this Coverage Extension is \$500,000 for any one **Loss Occurrence**.

2. Trees, Shrubs, and Plants

The **Authority** will pay for covered direct physical loss or damage to trees, shrubs, and plants at the project site provided that the value has been declared, reported and included in the total project value.

The most the **Authority** will pay for loss under this Coverage Extension is \$50,000 but not more than \$10,000 for any one tree, shrub, or plant. This amount includes the cost of **Debris Removal**.

3. If a Limit of Coverage for **Soft Costs** is shown on this endorsement the **Authority** will cover such **Soft Costs** subject to certain limitations and exclusions. **Soft Costs** means only those expenses over and above the expenses you would have incurred at the project site if there had been no **Delay** in the projected completion date of the **Covered Project**. This **Delay** must be caused by or result from a Covered Cause of Loss to covered property.

The Authority will cover only the following categories of **Soft Costs**:

1. Advertising and promotional expense;
2. Interest on construction loans;
3. Architects, engineers and consultants fees;
4. Real estate and property tax assessments;
5. Loss of **Rental Income**
6. Loss of **Gross Earnings**
7. Commissions or fees for the renegotiations of leases;

8. Insurance premiums;
9. Legal and accounting fees; and
10. Fees for licenses and permits.

We will also pay any reasonable and necessary expenses a **Covered Party** may incur in mitigating its **Soft Costs**. However, this does not increase the Soft Costs Limit of Insurance.

The **Authority** will also pay for **Soft Costs** when the **Delay** in the completion date of the project is caused by the action of a Civil Authority that prohibits access to the covered property due to direct physical loss or damage to property away from the project site. This coverage is extended for a period of 3 consecutive weeks from the date of that action. However, this does not increase the Soft Costs Limit of Insurance.

The most the **Authority** will pay under this Coverage Extension is the limit of coverage shown on the endorsement for any one **Loss Occurrence**. The **Authority** will not pay for any loss or damage incurred until the **Delay** exceeds a thirty (30) day waiting period per occurrence.

In addition to the exclusions listed under **EXCLUSIONS** in the **Memorandum of Coverage, Coverage D – Builders Risk**, the following additional exclusions also apply to **Soft Costs**:

1. Interference by strikers or other persons affecting the rebuilding, repairing or replacing the covered property;
2. Suspension, lapse or cancellation of any lease, license, contract or order;
3. The unavailability of funds for repair or reconstruction;
4. The unavailability of subcontractors;
5. Improvements necessary to correct deficiencies in the original Construction;
6. Additional time required to repair or replace the covered property as a result of adverse weather conditions;
7. Loss or damage to contractor's plant and equipment or to property not covered by this policy;
8. Import, export or customs restrictions and/or regulations
9. The failure to use due diligence in restoring the damaged property to the condition existing prior to the loss
10. Any change order, revision or other cause which results in deviation from the original progress schedule and which is independent of the covered loss or damage which gives rise to a **Delay**, whether occurring before or after an covered **Delay**
11. Any consequential loss

Accepted by: _____
 Authorized District Representative

Date: _____

Title: _____
 Authorized District Representative

Witnessed by: _____