

ENDORSEMENT #XX

This endorsement, effective 12:01 A.M.,
 Forms a part of Policy No.:
 Issued to:
 By:

DELAY IN COMPLETION ENDORSEMENT

This endorsement modifies insurance provided by the Policy:

SCHEDULE

I. Named Insured and Address:

XX
 XX
 XX
 XX

All coverage under this Delay in Completion Endorsement shall only be provided to the Named Insured shown above (hereinafter, the **Named Insured** for purposes of this endorsement only). No coverage shall be provided under this endorsement to any other person or entity.

II. The coverage provided under this Delay in Completion Endorsement is applicable to the entire insured project unless otherwise described below:

XX
 XX

III. Period of Indemnity: XXX Calendar Days

IV. Anticipated Date of Completion: XX/XX/XXXX; except:

XX
 XX

V. Deductible Period:

	Deductible Period (per occurrence unless otherwise stated below)
Standard Deductible	XXX Calendar Days <input type="checkbox"/> per occurrence or <input type="checkbox"/> in the Aggregate, no other Deductible Periods apply
Earth Movement, Flood or Named Storm	XXX Calendar Days XXXXXXXXXXXXXXXXXXXX
Cyber Loss	XXX Calendar Days XXXXXXXXXXXXXXXXXXXX
Ingress & Egress	XXX Calendar Days XXXXXXXXXXXXXXXXXXXX
Order of Civil or Military Authority	XXX Calendar Days XXXXXXXXXXXXXXXXXXXX
Service Interruption	XXX Calendar Days XXXXXXXXXXXXXXXXXXXX
Hot Testing	XXX Calendar Days XXXXXXXXXXXXXXXXXXXX
Other: XXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXX Calendar Days XXXXXXXXXXXXXXXXXXXX

If two or more deductible amounts provided above apply to a single **occurrence**, the total to be deducted shall be the largest applicable deductible. The above deductibles are in addition to any applicable deductibles on the Declarations of this Policy. If the Standard Deductible applies

on a per **occurrence** basis, then such deductible shall apply unless a more specific deductible applies.

VI. Limits of Liability Applicable to this Endorsement

The following are subject to and not in addition to the **Policy Limit** and all sublimits of liability shown in Item **10.A.** of the Declarations. The sublimits of liability stated in this endorsement are per **occurrence** unless otherwise stated.

If the words, NOT COVERED are shown, instead of a limit, sublimit amount or number of days, or if a specified amount or number of days is not shown corresponding to any coverage, then no coverage is provided for that coverage, whether under the Insuring Agreement or any Additional Coverage. If the words, NOT APPLICABLE are shown, instead of a limit, sublimit amount or number of days, then the Company shall not apply the limit, sublimit amount or number of days.

A. Aggregate Sublimit of liability for all coverage under this endorsement \$XXX,XXX,XXX

The following sublimits of liability **VI.B.** through **VI.I.** are subject to **VI.A.** above:

B. Loss of **Rental Income** \$XXX,XXX,XXX

C. Loss of **Gross Earnings** \$XXX,XXX,XXX

D. **Cyber Loss** See Item **10.B.7.** of the Declarations

E. Ingress & Egress XXX Calendar Days, subject to maximum of \$XXX,XXX,XXX

F. Order of Civil or Military Authority XXX Calendar Days, subject to maximum of \$XXX,XXX,XXX

G. Service Interruption XXX Calendar Days, subject to maximum of \$XXX,XXX,XXX

H. Other: XXXXXXXXXXXXXXXXXXXXXXXXXXXX \$XXX,XXX,XXX

I. **Soft Costs/Additional Expenses** \$XXX,XXX,XXX

The following sublimits of liability are subject to **VI.I.** above.

1. Interim interest expense \$XXX,XXX,XXX

2. Realty taxes/Ground rents \$XXX,XXX,XXX

3. Leasing/Commission expense \$XXX,XXX,XXX

4. Insurance premiums \$XXX,XXX,XXX

5. Advertising and marketing expense \$XXX,XXX,XXX

6. Legal and accounting fees \$XXX,XXX,XXX

7. License and permit fees \$XXX,XXX,XXX

8. Project management fees	\$XXX,XXX,XXX
9. Other: XXXXXXXXXXXXXXXXXXXXXXXX	\$XXX,XXX,XXX

No coverage or Additional Coverage shall be provided unless the **delay(s)** exceeds the **anticipated date of completion** and then such coverage shall only be provided for the **delay(s)** that is/are in excess of such **anticipated date of completion**, subject to the applicable **deductible period**. All covered losses and expenses are subject to the applicable **Policy Limit**, sublimits of liability, **period of indemnity** or calendar days as stated in the above Schedule.

A. INSURING AGREEMENT

1. Subject to all terms and conditions of this Policy, in the event of:
 - a. Direct physical loss of or damage to **covered property, landscaping materials or plans and drawings** by a **covered cause of loss**, or
 - b. Corruption, erasure or alteration of:
 - i. **Electronic data** in the **building or other systems**, due to: (1) the introduction of **malicious code** or (2) a **covered cause of loss**,
 - ii. **Plans and drawings** which are stored as **electronic data** due to the introduction of **malicious code**, or
 - c. **Building or other systems** that are 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**

(hereinafter, collectively Subsections 1.b. and 1.c. are referred to as **cyber loss**), the Company shall indemnify the **Named Insured** for **soft costs/additional expenses**, loss of **rental income** and/or loss of **gross earnings** sustained during the **period of indemnity** as a result of **delay** in completion of the **insured project**, on an actual loss sustained basis.

2. The Company shall also indemnify the **Named Insured** for reasonable expenses, over and above normal operating expenses, during the **period of indemnity**, that are necessarily incurred for the purpose of reducing any loss covered under this endorsement, but in no event shall the Company be liable for an amount greater than that for which the Company would have been liable had there been no covered **delay**.

B. ADDITIONAL COVERAGES

1. Ingress & Egress

The Company shall indemnify the **Named Insured** for **soft costs/additional expenses**, loss of **rental income** and/or loss of **gross earnings** arising out of **delay** in completion of the **insured project** if ingress to or egress from the **insured project** is prohibited as a result of direct physical loss or damage by a **covered cause of loss** to property not insured under this Policy, provided that such property is located outside of the **insured project**.

Coverage commences after the expiration of the applicable **deductible period** as shown in the above Schedule.

The Company shall only provide coverage for **delay** associated with the prohibition of

ingress or egress to the **insured project** for the lesser of:

- a. The number of calendar days shown for Ingress & Egress in the above Schedule, or
- b. Until the ingress or egress is no longer prohibited,

subject to the Ingress & Egress sublimit of liability shown in the above Schedule.

2. Order of Civil or Military Authority

The Company shall indemnify the **Named Insured** for **soft costs/additional expenses**, loss of **rental income** and/or loss of **gross earnings** arising out of **delay** in completion of the **insured project** if an order of civil or military authority prohibits access to the **insured project**, provided that: (1) such order is a result of direct physical loss or damage by a **covered cause of loss** to property not insured under this Policy and (2) such property is located outside of the **insured project**.

Coverage commences after the expiration of the applicable **deductible period** as shown in the above Schedule.

The Company shall only provide coverage for **delay** associated with such order that prohibits access to the **insured project** for the lesser of:

- a. The number of calendar days shown for Order of Civil or Military Authority in the above Schedule, or
- b. Until access to the **insured project** is no longer prohibited,

subject to the Order of Civil or Military Authority sublimit of liability shown in the above Schedule.

3. Service Interruption

The Company shall indemnify the **Named Insured** for **soft costs/additional expenses**, loss of **rental income** and/or loss of **gross earnings** arising out of **delay** in completion of the **insured project** resulting from the interruption of incoming electricity, steam, gas, fuel or water caused by direct physical loss or damage by a **covered cause of loss** to a service provider's transmission and distribution lines and related plants, substations and equipment located outside of the **insured project**. Notwithstanding the foregoing, the Company will not pay for any interruption intentionally caused by any **Insured** or any service provider.

If a service provider's transmission and distribution lines and related plants, substations and equipment that sustain loss or damage are part of the **insured project** and included in the **total project value**, the Service Interruption sublimit of liability shown in the above Schedule shall not apply, nevertheless the Aggregate Sublimit of Liability for all coverage under this endorsement shown in **VI.A.** above shall apply.

Coverage commences after the expiration of the applicable **deductible period** as shown in the above Schedule.

The Company shall only provide coverage for **delay** associated with the interruption of incoming electricity, steam, gas, fuel, or water to the **insured project** for the lesser of:

- a. The number of calendar days shown for Service Interruption in the above Schedule, or
- b. Until such incoming utilities are restored,

subject to the Service Interruption sublimit of liability shown in the above Schedule.

C. ADDITIONAL EXCLUSIONS AND LIMITATIONS

In addition to all other exclusions of this Policy, the Company will not be liable under this endorsement for any loss or increase in **delay** caused by, resulting from or arising out of any of the following:

1. The enforcement of any law, ordinance, governmental directive or standard regulating removal, repair, construction or reconstruction of any property;
2. Changes made in the design, plans, specifications or other contract documents in order to effect the repair or replacement of any property;
3. Non-availability of funds;
4. Import, export or customs restrictions and/or regulations;
5. The breach, suspension, lapse or cancellation of or the failure to obtain, maintain or extend any permit, lease, license, contract or purchase orders;
6. The interference by strikers or other persons directly or indirectly with the completion of the **insured project**, including the transportation of property, the construction, rebuilding, repairing or replacing of any property or the occupancy or use of the premises where the **insured project** is located;
7. The failure to use due diligence and dispatch in restoring any property to the condition existing prior to the loss or damage;
8. Any deviation in the **construction schedule** or a revised **construction schedule** except for a deviation that is the result of covered loss or damage;
9. Any disruption in the normal movement of **covered property** unless such **covered property** is damaged by a **covered cause of loss** during **inland transit**;
10. Re-erection of any tower or pole crane(s), unless such tower or pole crane is specifically covered under Schedule A of the Contractors' Equipment Endorsement. or
11. Loss or damage to that part of the **insured project** which at the time of loss or damage has been put to its intended use or has become operational.

D. ADDITIONAL LOSS ADJUSTMENT CONDITIONS

In addition to the conditions set forth in the CONDITIONS APPLICABLE TO LOSS ADJUSTMENT AND SETTLEMENT Section of this Policy, the following additional conditions apply to this endorsement:

1. Upon written notification of any loss or damage under the terms and conditions of this Policy, the **Insured** shall provide the Company with all applicable **construction schedules** as requested by the Company.
2. Upon request by the Company, the **Insured** shall make available all other records and information relevant to the determination of any claim for loss, damage and/or expenses or any audit under this endorsement.

3. In the event of payment under this endorsement, the Company may conduct an audit of the **Named Insured's** records for a reasonable period of time, to be determined by the Company, (typically 12 months) after actual commencement of operations to determine the loss under this endorsement, as well as any expenses incurred by the **Named Insured** related to reducing such loss. Due consideration shall be given to seasonal patterns, trends, variations or special circumstances which would have affected the business had the **delay** not occurred, so that the amount adjusted shall represent as nearly as may be reasonably practicable the amount which, in the absence of the **delay**, would have been realized. Any amount saved with respect to labor costs, charges and expenses that have ceased or reduced during the **period of indemnity** and liquidated damages the **Named Insured** is entitled to receive from others, whether collectible or not, shall be deducted from the loss during the **period of indemnity**.

In the event the amount of loss determined by the audit is less than or exceeds the sum paid by the Company for loss covered under this endorsement during the **period of indemnity**, the difference between the two amounts shall be paid by the Company or to the Company by the **Named Insured**, whichever is applicable.

E. ADDITIONAL GENERAL CONDITIONS

In addition to the conditions set forth in the GENERAL CONDITIONS Section of this Policy, the following additional conditions apply to this endorsement:

1. In the event loss, damage or other circumstances require that the project completion date shown on any critical path, time line, bar chart or other scheduling vehicle is revised to extend such completion date, the **Insured** shall establish a revised **construction schedule** and furnish the same to the Company. The new date established in such revised **construction schedule** shall become the **anticipated date of completion**. The Company shall have the right to change the **anticipated date of completion**, even if the **Insured** has failed to provide such revised **construction schedule**.

There shall be no amendment to the **anticipated date of completion** in the event any critical path, time line, bar chart or other scheduling vehicle is revised to compress or accelerate the **construction schedule**, without the written notice to the Company and endorsement by the Company hereto.

2. The **Insured** shall take and allow all reasonable measures to minimize the extent of any interference with the **construction schedule** so as to avoid or diminish any potential **delay**. The **Insured** shall begin normal operations as soon as practicable.

F. ADDITIONAL DEFINITIONS

The definitions of this Policy apply to this endorsement. However, the following additional definitions apply to this endorsement and supersede any similar definitions of this Policy to the contrary.

1. **Anticipated date of completion** means: (1) the date as shown in the above Schedule as the Anticipated Date of Completion or (2) the revised **anticipated date of completion** in accordance with the Subsection E.1. of the Additional General Conditions Subsection of this endorsement. For calculation of loss under this endorsement, the Company shall use the applicable **anticipated date of completion** at the time of the loss or damage.
2. **Construction schedule** means the schedule utilized in the construction management program through software that shows the construction operations, the times for starting and completion of operations, the period of the operations, the interrelationships between the operations and the critical path that identifies the critical operations.

3. **Deductible period** means the applicable number of calendar days shown in Item **V.** of the above Schedule beginning with the **anticipated date of completion**. Losses are only payable in excess of the applicable **deductible period**.
4. **Delay** means the period of time between the **anticipated date of completion** and the actual date on which occupancy or commercial service can commence with respect to the entire **insured project** or the **insured project** as described in Item **II.** of the Schedule, whichever is applicable, with the exercise of due diligence and dispatch.
5. **Gross earnings** means gross revenues from the planned operation of the **insured project** upon occupancy or commercial service which are not realized during the **period of indemnity** and which would have been earned by the **Named Insured** if the **delay** had not occurred, less charges and expenses which do not necessarily continue.
6. **Insured project** means the entire **insured project** or the part of the **insured project** as identified in Item **II.** of the above Schedule. The words, **insured project**, also include the definition in the Completed Value Builders Risk Policy.
7. **Period of indemnity** means the number of calendar days for which coverage is provided under this endorsement, regardless of the number of **occurrences**, not to exceed the number of days shown in Item **III.** of the above Schedule. For each **occurrence**, such calendar days or remaining calendar days shall commence upon the expiration of the applicable **deductible period**. The **period of indemnity** shall not be limited by the end of the **policy period**.
8. **Rental income** means revenues from rentals and leases from the planned operation of the **insured project** upon occupancy or commercial service which are not realized during the **period of indemnity** and which would have been earned by the **Named Insured** if the **delay** had not occurred, less charges and expenses which do not necessarily continue.
9. **Soft costs/additional expenses** means such expenses as shown in Item **VI.I.1.** through **VI.I.9.** of the above Schedule, inclusive, in relation to the **insured project**.

All other terms and conditions of the Policy remain the same.

Authorized Representative