

**THE REGENTS OF THE UNIVERSITY OF CALIFORNIA**  
**Master Builder's Risk Program**  
**Coverage Summary**

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*This document summarizes the Builder's Risk policy and is not intended to reflect all the terms, conditions, or exclusions of such policy as of the effective date of coverage. This document is not an insurance policy and does not amend, alter or extend the coverage afforded by the listed policy. The actual insurance policy defines all the terms, exclusions and conditions of coverage, and not this summary. Should any ambiguities or conflicts between the summary and policy exist, the policy terms and conditions will apply.*

*Some Projects may be excluded and/or must be underwritten separately and may be subject to different rates, deductibles, and terms and conditions (see page 15). Therefore, **this document should be used as a guideline only.***

**INSURANCE COMPANY:** Allianz Global Risks U.S. Insurance Company

**BEST'S RATING:** A+

**NAMED INSURED:** Regents of the University of California

**INSURING AGREEMENT**

This Policy, subject to the Limit of Liability and the terms, conditions, and limitations contained herein or endorsed hereon, insures against all risks of direct physical loss of or direct physical damage to Insured Property while at the construction site, stored off-site, or in the course of transit within the Territorial Limits specified in the Schedule during the Period of Insurance of each Insured Project.

**LIMITS OF LIABILITY**

**SCHEDULE OF LIMITS**

This Company shall not be liable for more than the Limit of Liability, as stated in Confirmation of Coverage, in any one Occurrence for any one Insured Project, subject to the following limits and sublimits:

**MASTER POLICY LIMITS, BY CONSTRUCTION CLASS**

\$150,000,000 per project, per occurrence; except,  
\$ 25,000,000 per project, Joisted Masonry construction  
\$ 25,000,000 per project, Wood Frame construction

**NOTE:** *The Total Estimated Construction Cost is estimated through project completion and reported on the original Builder's Risk Insurance Application. This Limit of Liability (Total Project Value (TPV)) will correspond with the Total Estimated Construction Cost as shown on the original Builder's Risk Insurance Application. If the construction costs should increase, the Limit of Liability (TPV) should be subsequently increased, once advance notice has been given by the University's Representative to Willis Towers Watson.*

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**KEY SUBLIMITS (percentage or dollar value, whichever is less):**

1. \$25,000,000 for **Wood Frame Construction**
2. \$25,000,000 for **Joisted Masonry Construction**
3. \$50,000,000 for **Structural Renovations**
4. \$500,000 for **Pollution Cleanup Expenses**
5. 15% of the declared estimated Total Project Value or minimum of \$2,500,000, subject to a maximum of \$30,000,000 for **Demolition and Increased Cost of Construction**
6. 25% of the adjusted property damage loss or minimum of \$1,000,000, subject to a maximum of \$5,000,000 for **Expediting Expense/Extra Expense**
7. 10% of the declared estimated Total Project Value or minimum of \$2,500,000, subject to a maximum of \$10,000,000 for **Insured Property while Stored Off-site**
8. 10% of the declared estimated Total Project Value or minimum of \$2,500,000, subject to a maximum of \$10,000,000 for **Insured Property while in the Course of Inland Transit (continental US)**
9. 25% of the declared estimated Total Project Value or minimum of \$2,500,000, subject to a maximum of \$30,000,000 for **Debris Removal**
10. \$750,000 for **Valuable Papers**
11. \$1,000,000 for **Trees, Grass, Shrubbery, Seed and Plants**
12. 10% of estimated Total Project Value or minimum of \$1,000,000, subject to a maximum of \$10,000,000 for **Frost, Freeze, Falling of Ice**
13. 15% of the adjusted property damage loss or minimum of \$1,000,000, subject to a maximum of \$15,000,000 for **Green/LEED Rating System**
14. 10% of the adjusted property damage loss or minimum of \$250,000, subject to a maximum of \$500,000 for **Mold/Fungi**
15. 5% of the declared estimated Total Project Value or minimum of \$1,000,000, subject to a maximum of \$10,000,000 for additional **Architects, Engineering and Professional Fees**
16. \$500,000 for **Claims Preparation Expenses**
17. \$750,000 for **Protection Services and Equipment Refills**
18. \$50,000 for **Reward Payment**
19. \$1,000,000 for **Off Premises Service Interruption – Direct Damage**

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**KEY TERMS AND CONDITIONS**

**NAMED INSURED**

The Regents of the University of California and all affiliated and subsidiary companies, corporations, ventures, partnerships or other organizations, all owned, controlled or managed by the Named Insured and all as now exist or may hereafter be constituted or acquired.

**ADDITIONAL INSUREDS**

General Contractors, Construction Managers and subcontractors of every tier. Additionally, any other person or entity(ies) as identified on a Project Declaration Endorsement, Quarterly Report Endorsement, or to the extent required by a written contract or agreement. As respects architects, engineers, manufacturers and suppliers, the foregoing is limited to their site activities only.

**ATTACHMENT/TERMINATION**

Insurance hereunder applies to all projects specifically declared under the Master Policy in a Quarterly Report Endorsement or in a Project Declaration Endorsement, where the project is scheduled to begin during the term of the Master Policy. The Master Policy term commences on September 1, 2017 at 12:01AM and ends on September 1, 2020 at 12:01AM.

Coverage for each Insured Project declared under the Master Policy will go into effect and continue in full force and effect during the Coverage Period specified in the Confirmation of Coverage.

**NOTIFICATION OF COVERAGE/TERMINATION:** *The Confirmation of Coverage Period will correspond with the Estimated Dates of Commencement and Completion of Work as indicated on the original Builder's Risk Insurance Application. If construction is not completed on time and coverage beyond the Estimated Date of Completion of Work is required, prior notification must be given by the University Representative to Willis Towers Watson in order to ensure that coverage remains in force for the project.*

**DEDUCTIBLES** (Basis for determining Deductible is the Total Project Value on record with the insurance company at time of loss. Total Project Value will correspond with the Total Estimated Construction Cost reported.)

**NOTE:** *The contractor shall be responsible for the deductibles.*

**All Other Perils (except Water Damage; Electrical/Mechanical Breakdown and/or Hot-testing)**

\$10,000 for Projects up to a value of \$25,000,000  
\$25,000 for Projects exceeding \$25,000,000 in value

**Water Damage**

\$25,000 for projects up to a value of \$25,000,000  
\$50,000 for projects valued \$25,000,000 up to \$50,000,000  
\$75,000 for projects exceeding \$50,000,000 in value

**Frost/Freeze/Falling Ice:** \$100,000

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**Electrical/Mechanical Breakdown and/or Hot Testing**

\$50,000 for Projects up to a value of \$25,000,000

\$100,000 for Projects valued \$25,000,000 up to \$100,000,000

\$250,000 for Projects exceeding \$100,000,000 in value

**KEY EXCLUSIONS**

**PROPERTY EXCLUDED**

This Policy does not insure:

1. Land, but this exclusion does not apply to excavation and grading as long as the cost of the excavation and grading is included in the Limit of Liability as stated in the policy.
2. Contractor's plant and equipment, machinery, tools, or property of similar nature not destined to become a permanent part of the Insured Project but this exclusion shall not apply to formwork, fences, shoring, falsework and temporary buildings as long as the value of these items are included in the estimated Limit of Liability as stated in the policy.
3. Automobiles or other vehicles, watercraft or aircraft.
4. Water.
5. Accounts, bills, currency, deeds, securities, books, records, manuscripts, other similar papers, or data processing media.
6. Existing buildings or structures or any other existing property.
7. Owner supplied material, equipment, machinery and supplies, unless the value of such is included in the Limit of Liability as stated in the policy.
8. Open excavation or trenching, pipeline or workface, at any one time beyond 1,000 feet in length.
9. Electrical transmission and/or distribution lines; including wires, cables, poles, towers, and all equipment attached thereto, beyond 1,000 feet from the perimeter of the project site.

**EXCLUDED CAUSES OF LOSS**

1. Loss or damage caused by, or resulting from, wear and tear, moth, vermin, termites or other insects, inherent vice, latent defect, gradual deterioration, wet or dry rot and rust, corrosion, erosion or normal settling, shrinkage, and/or expansion of buildings and/or foundations.
2. Any loss of use or occupancy or consequential loss of any nature howsoever caused.
3. Liquidated damages and/or penalties for delay or detention in connection with guarantees of performance or efficiency.
4. Hostile or warlike action.

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5. Nuclear reaction, nuclear radiation, or radioactive contamination.
6. Any cost or expenses incurred to test for, monitor, or assess the existence, concentration or effects of Fungi.
7. Loss or damage caused by or resulting from infidelity or dishonesty on the part of the Insured and/or any employee of the Insured; inventory shortage or unexplained disappearance.
8. Loss or damage caused by or resulting from the enforcement of any ordinance or law, or any order of governmental or municipal authority; by suspension, lapse, termination and/or cancellation of any license, lease, or permit, or any injunction or process of any court, unless otherwise endorsed herein.
9. Loss or damage caused by, resulting from, contributed to or made worse by actual, alleged, or threatened release, discharge, escape or dispersal of Contaminants and/or Pollutants.
10. Loss or damage to Insured Property while aboard any aircraft or watercraft.
11. The cost of making good faulty or defective workmanship, material, construction, designs, plans and/or specifications unless direct physical loss or direct physical damage not otherwise excluded under this policy ensues and then this Policy will cover such ensuing loss or damage only.
12. Loss, damage, corruption, destruction, distortion, interruption, disruption, erasure, deletion, alteration, loss of use, reduction in functionality, loss of access to, denial of access to or breakdown of Electronic Data from any cause whatsoever.
13. Loss or damage to Used Equipment caused by mechanical and/or electrical breakdown.
14. Loss or damage directly or indirectly caused by, resulting from, contributed to, or aggravated by Land Movement.
15. Loss or damage directly or indirectly caused by, resulting from, contributed to, or aggravated by Flood.
16. Loss or damage covered under any guarantee or warranty, expressed or implied, by any manufacturer or supplier whether or not such manufacturer or supplier is an Insured under this policy.
17. Terrorism.
18. Loss or damage arising out of the performance of the professional activities of any consulting engineer, architect, or designer, or any person employed by them or any others whose acts they are legally liable for whether or not named as an Insured under this Policy.

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**SELECTED EXTENSIONS OF COVERAGE**

**1. EXPEDITING/EXTRA EXPENSES**

Subject to the stated sublimit, this Policy is extended to cover extra charges for overtime, night work, work on public holidays, the extra cost of rental construction equipment, express freight, including air freight all incurred solely:

- A. to facilitate the repair or replacement of the Insured Property which has sustained physical loss or physical damage from a peril insured, or;
- B. which are necessary to return the work on the Insured Property to the same schedule actually being observed immediately prior to the sustaining of physical loss or physical damage from a peril insured.

This Policy does not cover charges incurred to expedite work on parts of the Insured Property which have not sustained physical loss or physical damage.

**2. DEMOLITION AND INCREASED COST OF CONSTRUCTION**

- A. Subject to the stated sublimit, in the event of direct physical loss and/or direct physical damage by perils insured under this Policy, the Company shall also pay:
  - (i) The increased cost to repair, replace or re-erect the Insured Property caused by the enforcement of any building, zoning or land use ordinance or law in force at the time of loss. If the Insured Property is replaced, it must be intended for similar occupancy of the current Insured Property, unless otherwise required by zoning or land use ordinance or law.
  - (ii) The cost to demolish and clear the construction site of undamaged parts of the Insured Property caused by the enforcement of any building, zoning or land use law in force at the time of the loss.
- B. In no event, however, shall the Company be liable for costs associated with the enforcement of any ordinance or law which requires any Insured or others to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize, or in any way respond to or assess the discharge, dispersal, release or escape of smoke, vapors, soot, fumes, acids, alkali, toxic chemicals, liquids or gasses, waste materials or other irritants, any Contaminants and/or Pollutants.
- C. The Company shall not pay for the increased cost of construction until the Insured Property is actually repaired, replaced, or re-erected at the same construction site or elsewhere and as soon as reasonably possible after the loss or damage, not to exceed thirty (30) months.

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- D. In no event, however, shall the Company pay more:
- (i) If the Insured Property is repaired, replaced or re-erected at the same construction site than the amount the insured actually spends to:
    - a) Demolish and clear the construction site; and
    - b) Repair, replace or re-erect the Insured Property but not for more than property of like height, floor area and style at the same construction site.
  - (ii) If the Insured Property is not repaired, replaced, or re-erected at the same construction site than:
    - a) The amount the Insured actually spends to demolish and clear the construction site; and
    - b) The cost to replace, at the same construction site, the damaged or destroyed Insured Property with other property;
      - 1) of like kind and quality;
      - 2) of like height, floor area and style; and
      - 3) used for the same purpose.
  - (iii) Than the stated sublimit of Demolition and Increased Cost of Construction.

**3. PROTECTION SERVICES AND EQUIPMENT REFILLS**

Subject to the stated sublimit, in the event of direct physical loss or direct physical damage to Insured Property by perils insured under this Policy, this insurance shall also pay the cost for services rendered by the Fire Department, Police Department or other governmental authority to save or protect Insured Property from direct physical loss or damage by an insured peril, for which the Insured is liable, provided they are assumed by contract or written agreement prior to a loss or they are required by a local ordinance.

This policy also covers cost or expense to recharge or refill any fire protective equipment owned, in the control of, or used to protect the Insured Property when discharged:

- A. To prevent or control direct physical loss or direct physical damage by an insured peril; or
- B. Accidentally; or
- C. As a result of malfunction of the equipment.

In respect items B. and C. above, the Company will pay for amounts in excess of amounts recoverable under any manufacturer's or supplier's warranty.

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**4. PLANS, BLUEPRINTS, AND SPECIFICATIONS**

Subject to the stated sublimit, in the event of direct physical damage to records, documents, drawings, plans, blueprints or specifications by perils insured under this policy, this insurance shall also pay the costs of mechanical reproduction from originals.

**5. TREES, GRASS, SHRUBBERY, SEED AND PLANTS**

Subject to the stated sublimit, this policy is extended to insure direct physical loss or direct physical damage to trees, grass, shrubbery, seed and plants caused by or resulting from fire, lightning, windstorm, hail, explosion, smoke, collision by aircraft or vehicle, riot, riot attending a strike or civil commotion, vandalism or malicious mischief.

**6. DEBRIS REMOVAL**

Subject to the stated sublimit, in the event of direct physical loss or physical damage to Insured Property by perils insured under this policy, this insurance shall also pay the cost of removal of material and debris being a part of the Insured Property located at the construction site and the cost to demolish and clear the construction site of undamaged parts caused by the enforcement of any building, zoning or land use law in force at the time of the loss.

This Policy also covers cost or expense to:

- A. Extract Contaminants and/or Pollutants from the debris; or
- B. Extract Contaminants and/or Pollutants from land and/or water; or
- C. Remove, restore, or replace land and/or water made necessary due to the presence of Contaminants and/or Pollutants; or
- D. Remove or transport any property, material, or debris to a site for storage or decontamination required because the property, material, or debris is affected by Contaminants and/or Pollutants, whether or not such removal, transport, or decontamination is required by law or regulation.
- E. This sub-clause (Items A - D above), is subject to a sublimit for **Pollution Cleanup Expenses**.

It is a condition precedent to recovery under this clause, that the Company shall have paid, or agreed to pay for direct physical loss or direct physical damage to the Insured Property and that the Insured shall give written notice to the Company of intent to claim for cost of removal of debris or the cost of cleanup no later than (12) twelve months after the date the original physical loss or physical damage occurred.

**7. ARCHITECT, ENGINEERING AND PROFESSIONAL FEES**

Subject to the stated sublimit, Architect, Engineering and Professional Fees shall mean the additional architectural and engineering expenses, excluding any costs for redesign or betterment, or owner's consultant service expenses, or owner's legal, appraisal, title and/or inspection fees incurred to facilitate repair or replacement of the Insured Property which has sustained physical loss or physical damage from an insured peril.

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**8. GREEN/LEED**

Subject to the stated sublimit, in the event of a direct physical loss or direct physical damage not otherwise excluded in the policy to Insured Property by perils insured under the policy the Insurer shall also pay the reasonable additional cost, if any, incurred by the Insured to repair or replace such damaged or destroyed Insured Property in a manner and with products or materials of otherwise equivalent quality and function that meet the requirements of the LEED Rating System.

Coverage under this extension applies only if the Insured Project has been registered with the US Green Building Council during the Period of Insurance specified as stated in Confirmation of Coverage and prior to any loss, and only to the initial and intended building certification level that has been registered with the US Green Building Council, in accordance with the criteria outlined in order to comply with the requirements of the LEED Rating System existing at the time of the loss or damage to the Insured Project, which upon completion will undergo the process of being certified by the US Green Building Council.

This coverage extension includes the additional coverages below as part of and not in addition to the sublimit as stated:

**(1) CERTIFICATION FEES**

Coverage is provided herein for the registration and certification fees charged by U.S. Green Building Council for the Insured to obtain LEED certification;

**(2) COMMISSIONING EXPENSE**

Coverage is provided herein for the reasonable expense incurred by the Insured to hire a professional engineer to provide commissioning or retro-commissioning services, including overseeing the repairs and replacement of damaged or destroyed Insured Property in order to verify and document that the replacement systems have been installed and calibrated properly and perform according to the documented design criteria and manufacturers' specifications; and to conduct a Test-and-Balance analysis of heating, ventilating or air conditioning systems (HVAC) as part of the commissioning or retro-commissioning , even if the HVAC system did not sustain any physical loss or damage;

**(3) FLUSH-OUT OF RECONSTRUCTED SPACE**

Coverage is provided herein for the reasonable expense incurred by the Insured to flush out the reconstructed space with 100% outside air through new filtration media following reconstruction in a manner consistent with the LEED Rating System;

**(4) LEED ACCREDITED PROFESSIONAL FEES**

Coverage is provided herein for the reasonable expense incurred by the Insured to hire a LEED Accredited Professional to participate in the design and construction of the damaged or destroyed building.

**(5) RECYCLING EXPENSE**

DEBRIS REMOVAL is extended to cover the reasonable additional cost incurred, if any, to sort, collect and transport recyclable debris to recycling facilities instead of landfills. Any income or remuneration derived from this recycling will be used to reduce the amount of the loss.

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**GREEN / LEED EXCLUSIONS:**

No coverage is provided under this extension:

- A. If no such products or materials exist at the time of the loss or damage; or
- B. If the Insured does not repair or replace the damaged or destroyed Insured Property.

In no event will the policy pay more than the lesser of the:

- A. The cost to repair; or
- B. The cost to replace;

the damaged Insured Property in a manner and with products or materials of otherwise equivalent quality and function that meet the requirements of the LEED Rating System existing at the time of the loss or damage.

No coverage is provided under this extension of coverage for any of the following items:

- A. Re-registering the Insured project with the US Green Building Council.
- B. Failure to meet the registered LEED Building Rating certification level.
- C. Land and land values.
- D. Any additional cost incurred to comply with any law or ordinance.
- E. Personal property of others in the Insured's care, custody or control.
- F. Raw materials, stock-in-process and finished goods.
- G. Motor vehicles.
- H. Property located outside the Territorial Limits of the policy.

**9. CLAIMS PREPARATIONS EXPENSE**

Subject to the stated sublimit, this policy is extended to include reasonable expenses incurred by the Insured, or by the Insured's representatives for preparing the details of a claim resulting from a loss which would be payable under this policy. However, the Company shall not be liable for expenses incurred by the Insured in utilizing or retaining the services of attorneys, insurance agents or brokers; or any subsidiary, related or associated entities either partially or wholly owned by an attorney or public adjuster.

**10. MOLD/FUNGI**

Subject to the stated sublimit, in the event of direct physical loss or direct physical damage to Insured Property by perils insured under the policy, the insurance shall also pay, subject to the Limit of Liability and the terms, conditions, and limitations of this policy, the cost to clean up or remove Mold/Fungi from Insured Property located at the construction site.

Notwithstanding any terms or conditions, this policy does not insure any cost or expense incurred to test for, monitor, or assess the existence, concentration or effects of Mold/Fungi.

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**11. REWARD PAYMENT**

Subject to the stated sublimit, the Company will reimburse the Named Insured for rewards that the Named Insured paid to others for information leading to:

- A. The successful return of undamaged stolen Insured Property to the Insured or a law enforcement agency; or
- B. The arrest and convictions of any persons responsible for having damaged or stolen Covered Property.

The reward payments must be documented.

The most that the Company will pay under this Coverage Extension in any one "occurrence" is 25% of the covered loss of or damage to Insured Property, prior to the application of any applicable Deductible and recovery of any Insured Property, up to the stated Sublimit.

**12. OFF-PREMISES SERVICE INTERRUPTION – DIRECT DAMAGE**

Subject to the stated sublimit, the Company will pay for direct physical loss of or damage to Insured Property at the project site directly caused by an off premises service interruption. The interruption must result from direct physical loss or damage directly caused by a covered cause of loss to property located away from the project site and used to provide any of the following services to the project site:

- A. Water;
- B. Power, including steam and natural gas; or
- C. Communication, including video, voice and data.

**SELECTED GENERAL CONDITIONS**

**1. REQUIREMENTS IN CASE OF LOSS**

In the event of loss or damage to Insured Property the Insured shall:

- A. Give immediate notice to the insurance company;
- B. Protect the Insured Property from further loss or damage;
- C. Within ninety (90) days from the date of discovery of the loss or damage, the Named Insured shall render a statement to the Insurer signed and sworn to by the Named Insured stating the knowledge and belief of the Insured as to the time and cause of the loss or damage and the interest of the Insured and all others in the Insured Property;
- D. Exhibit to any person designated by the Insurer all that remains of the Insured Property.
- E. Coordinate and cooperate with investigation and/or inspection of property and

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provide documentation as requested by the insurance adjuster. Do NOT destroy or salvage damaged property unless authorized to do so by the insurance adjuster.

- F. Submit to examinations under oath by any person named by the Insurer and produce for examination all writings, books of account, bills, invoices and other vouchers, or certified copies thereof if originals be lost, at such reasonable time and place as may be designated by the Insurer or its representative, and permit extracts and copies thereof to be made. No such examination under oath or examination of books or documents shall be deemed to be a waiver of any defense which the Insurer might otherwise have with respect to any loss or claim; but all such examinations and acts shall be deemed to have been made or done without prejudice to the Company's liability.
- G. Subject to the Limit of Liability and the terms, conditions, and limitations of the policy, all adjusted losses shall be paid or made good to the Named Insured within sixty (60) days after presentation and acceptance of the satisfactory proof of interest and loss to the Insurer. No amount shall be paid on an adjusted loss or made good if the Insured has collected the same from others.

**2. VALUATION**

Subject to the Limit of Liability, sublimits or Aggregate Limit of Liability, the Insurer shall not be liable beyond the cost to repair, replace, or re-erect the Insured Property at the time and place of loss, with materials of like kind and quality, less the cost of betterment, salvage, or other recovery including contractors reasonable profit and overhead in the proportion as that included in the original contract documents, or 15% profit and overhead, whichever is lesser. If the Insured Property is not replaced, then the loss shall be settled on the Actual Cash Value basis with proper deduction for depreciation, salvage or other recovery and exclusive of profit and overhead.

**3. PROTECTION OF PROPERTY**

In the case of direct physical loss or direct physical damage to Insured Property by perils insured under the policy, it shall be lawful and necessary for the Insured, his or their factors, servants, or assigns, to sue, labor, and travel for in and about the defense, safeguard, and recovery of the Insured Property, or any part thereof, without prejudice to this insurance, nor shall the acts of the Insured or Insurer, in recovering, saving, and preserving the Insured Property in case of loss be considered a waiver or an acceptance of abandonment. The expenses so incurred shall be borne by the Insured and the Insurer proportionately to the extent of their respective interests.

**4. OTHER INSURANCE**

This Policy shall not provide coverage to the extent of any other insurance, whether prior or subsequent hereto in date, and by whomsoever effected, directly or indirectly covering the same property against the same peril; and the Company shall be liable for direct physical loss or direct physical damage only for the excess value beyond the amount due from such other insurance, subject to the applicable Deductible.

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**5. INSUREDS' REPRESENTATIVE**

The first Named Insured shall be the sole and irrevocable agent of each and every Insured for the purpose of:

- A. Payment of premium;
- B. Giving or receiving notice of cancellation;
- C. Requesting amendments to this policy and accepting amendments to the policy made by the Insurer.

**6. LOSS PAYABLE**

Loss, if any, shall be payable to the first Named Insured and/or its assigned designee.

**7. PARTIAL OCCUPANCY OR USE**

Notwithstanding anything to the contrary elsewhere in the policy, the Owner and/or tenants may occupy or use any completed or partially completed portion of the Insured Property, provided that the Insured warrants that all fire protection shall be in service and fully operational during such occupancy or use.

**SELECTED DEFINITIONS**

The following terms have been defined in the Master Policy and will be applied in the interpretation of certain wording used herein or within the Master Policy.

**1. FLOOD:**

Flood shall mean the rising, overflowing or breaking of boundaries of rivers, lakes, streams, ponds or similar natural or man-made bodies of water, or from waves, tidal waves, tidal waters, wave wash, or spray from any of the foregoing, surface waters, rain accumulation run off, all whether driven by wind or not.

**2. CONTAMINANTS OR POLLUTANTS:**

Contaminants and/or Pollutants shall mean any material which after its release or discharge can cause or threaten damage to human health and/or human welfare, or causes or threatens damage, deterioration, loss of value, marketability and/or loss of use to Insured Property; including, but not limited to, bacteria, virus, or hazardous substances as listed in the Federal Water Pollution Control Act, Clean Air Act, Resource Conservation and Recovery Act of 1976, and/or Toxic Substances Control Act, or as designated by the U.S. Environmental Protection Agency.

**3. LAND MOVEMENT:**

Land Movement shall mean all land movement however caused, whether by natural event or man-made including but not limited to, earthquake, volcanic eruption, tsunami, subsidence, landslide, mudflow, or rockfall.

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**4. OCCURRENCE:**

Occurrence shall mean any one loss, disaster, or casualty, or series of losses, disasters, or casualties arising out of one event. With respect to the perils of Flood, Land Movement, or riots, one event shall be construed to be all losses arising during a continuous period of seventy-two (72) hours. With respect to the peril of Water Damage, one event shall be construed to be all losses arising during a continuous period of ninety-six (96) hours.

The Insured may choose the time from which any such period shall be deemed to have commenced, provided it shall not be earlier than the time of the first loss sustained by the Insured during the Occurrence.

**5. WATER DAMAGE:**

All water damage excluding flood, however caused, whether by natural event or man-made, including but not limited to interior water damage, damage due to water from pipe breakage or sprinkler leakage, damage from rainfall and/or resulting runoff; all whether wind driven or not.

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**PROJECTS EXCLUDED AND/OR MUST BE UNDERWRITTEN SEPARATELY. THESE PROJECTS MAY BE SUBJECT TO DIFFERENT RATES, DEDUCTIBLES, TERMS AND CONDITIONS.**

(A) Construction Cost exceeds:

- \$150 Million regardless of Construction Type (Standalone project-specific policy may apply on projects over \$100 Million)
- \$25 Million for Wood Frame (Standalone project-specific policy may apply on projects over \$10 Million)
- \$25 Million for Joisted Masonry
- \$50 Million for Structural Renovations

(B) Project involves the following:

- Construction occurring outside of the State of California
- Co-Generation Facility
- Stadium or arena
- Bridge
- Tunnel
- Excavations greater than 1,000 feet in length or 40 feet in depth
- Transmission and/or distribution lines extending greater than 1,000 feet in length from the perimeter project site including cable, telecom, wires, poles, towers, and electrical
- Directional Drilling
- Gas Turbine
- Power Plants

(C) Project involves the following, without being delivered in combination with other new "ground-up" construction:

- Water or Sewer Pipelines, Cut and Cover, Open Trench, Utility Relocations (exceeding \$25M in value), Central Utility Plants, Waste Water, or Water Treatment Facilities. (Standalone projects means when the scope of work is not included in the estimated Construction Cost of a building project).

(D) Project requires coverage for:

- Land Movement (e.g. Earthquake)
- Flood
- Terrorism
- Delay in Completion/Business Interruption