

## DEFECTIVE PART EXCLUSION (DE4)

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

It is agreed that **exclusion 2.3. Defects** of the **EXCLUSIONS** Section of the Contract Works – Builders Risk Form is deleted and replaced by the following:

This Form does not insure against costs, and direct physical loss or direct physical damage caused directly or indirectly:

**2.3. Defective Part**

2.3.1. to any component part or individual item of insured property which is defective in design, plan, specification, materials, or workmanship;

2.3.2. to insured property lost or damaged in order to enable the replacement, repair or rectification of property excluded by 2.3.1. above.

Exclusion 2.3.1. above shall not apply to other parts or items of insured property which are free from defect but is lost or damaged in consequence thereof and the deductible specified on the Declaration Page(s) shall apply to such lost or damaged insured property.

For the purpose of this Form and not merely this exclusion, the insured property shall not be regarded as lost or damaged solely by virtue of the existence of any defect in design, plan, specification, materials or workmanship in the insured property or any part thereof.

**All other terms, conditions and limitations of this Policy shall remain unchanged.**