

RENT OR RENTAL VALUE

INDEMNITY AGREEMENT

This Form insures, up to the amount in the Declarations, the "gross rent and rental value" to the described building(s) and additions and extensions communicating and in contact therewith on the described "premises".

MEASURE OF RECOVERY

The measure of recovery in the event of loss hereunder shall be the reduction in "gross rent and rental value" directly resulting from being un-tenantable solely and directly due to destruction or damage by the perils insured against to the described building(s), less charges and expenses which do not necessarily continue during the period the building(s) is so un-tenantable. Recovery commences on the date of loss and it continues until the building(s) is restored to its tenantable condition prior to the loss exercising due diligence and dispatch to rebuild, repair or replace the damaged or destroyed property or twelve consecutive months, whichever occurs first. Recovery will not exceed the **actual loss sustained** by the Insured resulting from the building(s) being un-tenantable.

CO-INSURANCE

The Insured shall maintain insurance concurrent in form, range, and wording with this insurance to the extent of at least the percentage stated in the Declarations of the annual "gross rent and rental value" herein defined of the described building(s) that failing to do so, the Insured shall only be entitled to recover that portion of any loss that the amount of insurance in force at the time of loss bears to the amount of insurance required to be maintained by this clause.

INTERRUPTION BY CIVIL AUTHORITY

This form is extended to include the actual loss as insured hereunder during the period of time, not exceeding two weeks, while access to the described premises is prohibited by order of civil authority, but only when such order is given as a direct result of damage to neighboring premises by a peril insured against.

ADDITIONAL EXCLUSIONS

The Insurer shall not be liable for:

- (1) any increase of loss directly or indirectly, proximately or remotely, resulting from, or contributed to by, the operation of any by-law, ordinance or law regulating zoning or demolition, repair or construction of buildings or structures unless the liability is otherwise specifically assumed by endorsement hereon;
- (2) any increase of loss caused by delays or loss of time due to the presence of strikers or other persons or to labour disturbances on or about the premises interfering with the rebuilding, repairing or replacing the property damaged or destroyed or the resumption or continuation of business or free access to or control of the premises or due to the action or sympathetic strikers elsewhere;
- (3) loss due to the suspension, lapse or cancellation of any lease or license, contract or order, which may affect the Insured's "gross rent and rental value" after the period following any loss during which indemnity is payable.

WAIVER OF TERM OR CONDITION

No term or condition of this Policy shall be deemed to be waived by the Insurer in whole or in part unless the waiver is clearly expressed in writing signed by a person authorized for that purpose by the Insurer. Neither the Insurer nor the Insured shall be deemed to have waived any term or condition of this Policy by any act relating to the appraisal of the amount of loss or to the delivery and completion of proofs, or the investigation or adjustment of any claim under this Policy.

DEFINITIONS

"Gross Rent and Rental Value" is defined as the sum of:

- (1) the actual total annual gross rent or rental value of the occupied portion(s) of the building(s),
- (2) the estimated annual rental value of the unoccupied portion(s) of the building(s), and
- (3) a fair rental value of the proportion(s), if any, of the building(s) occupied by the Insured.

All other terms and conditions of this Policy remain unchanged.