

1. INDEMNITY AGREEMENT

This Form insures, up to the limit specified in the Declaration Page(s), the reduction in "gross rent and rental value" caused by direct physical loss or direct physical damage by the perils insured against to building(s) at the location(s) specified in the Declaration Page(s), occurring during the term of this Policy.

2. 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 untenantable solely and directly due to destruction or damage by the perils insured against to the building(s) at the location(s) specified in the Declaration Page(s), less charges and expenses which do not necessarily continue during the period the building is so untenantable, for not exceeding such length of time as would be required with the exercise of due diligence and dispatch to rebuild, repair or replace such part of the building(s) as specified in the Declaration Page(s) as has been destroyed or damaged, commencing with the date of such destruction or damage and limited to a period not exceeding, the period of time (in months) specified in the Declaration Page(s) or if no period of time is specified therein, a period of twelve (12) consecutive calendar months, from the date of such destruction or damage, but, in no event, exceeding the actual loss sustained by the Insured resulting from the building(s) being untenantable.

3. CO-INSURANCE CLAUSE

The Insured shall maintain insurance concurrent in form, range and wording with this insurance to the extent of at least the percentage specified in the Declaration Page(s) of the annual "gross rent and rental value" herein defined of the building(s) at the location(s) specified in the Declaration Page(s) and 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.

4. SPECIAL EXCLUSIONS

The Insurer shall not be liable for:

- (a) 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 of sympathetic strikers elsewhere;
- (b) 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.

5. 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 "premises" described in the Declaration Page(s) is prohibited by order of civil authority, but only when such order is given as a direct result of direct physical loss or direct physical damage to neighbouring premises by a peril insured against under this policy.

6. PERMISSION

Permission is hereby granted:

- (a) for other insurance concurrent with this Form;
- (b) to make additions, alterations or repairs;
- (c) to do such work and to keep and use such articles, materials, and supplies in such quantities as are usual or necessary to the business of the Insured.

7. 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.

8. DEFINITIONS

Wherever used in this Form:

- (a) "Gross Rent and Rental Value" means:

the sum of:

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

- (b) "Premises" means the entire area within the property lines at the location(s) specified in the Declaration Page(s), including areas under adjoining sidewalks and driveways.