

## VACANCY PERMIT

Attached to and forming part of this Policy

### WORDS AND PHRASES IN QUOTATION MARKS HAVE SPECIAL MEANING AS DEFINED BELOW OR IN THE POLICY TO WHICH THIS ENDORSEMENT IS ATTACHED

In consideration of the additional premium charged, permission is hereby granted for the building(s) indicated on the "Declaration Page", as described on the Policy, to be "Vacant".

Irrespective of the permission granted above, it is understood and agreed that there is **no insurance coverage** for loss or damage arising out of the following perils, as defined in the Policy:

- (1) vandalism or malicious acts;
- (2) glass breakage;
- (3) theft or attempted theft of personal property unless evidenced by visible signs of forcible entry;
- (4) flood;
- (5) sewer, septic tank, drain or sump back up; or
- (6) water, water escape, rupture and freezing.

It is further understood and agreed that the basis of loss settlement for insured loss or damage to personal property shall be calculated on an Actual Cash Value basis, as defined in the Policy. The basis of loss settlement for insured loss or damage to the building(s) shall be calculated on a Replacement Cost basis, subject to the Rebuilding Clause below. The Limited Guaranteed Rebuilding Cost endorsement, or Guaranteed Rebuilding Cost clause will not apply to any building(s) that is "Vacant".

#### Deductible

It is further understood and agreed that the deductible indicated on the "Declarations Page" of this Policy shall be amended to a \$1,000 deductible. In no event shall the \$1,000 deductible be less than the deductible shown on the "Declarations Page" of this Policy.

#### Rebuilding Clause – Deferred Payment

The following clause replaces the Basis of Claim Payment for building only.

In the event of building(s) insured under this Policy being damaged or destroyed, it is expressly agreed between "You" and "Us" that upon receipt of Proof of Loss, "We" will make an initial payment of fifty percent (50%) only of the loss payable on the building(s) subject to the following:

- (1) If "You" notify "Us" at the time of delivery of "Your" Proof of Loss, of "Your" intention to repair, rebuild or replace the damaged building(s) on the same premises with building(s) of like use, and within thirty (30) days following the initial payment construction has been commenced, and "You" furnish proof satisfactory to "Us" within twelve (12) months of the date of loss, that "You" have spent an amount not less than the total amount of all insurance payable, including amounts deferred or conditionally payable as well as amounts already paid, "We" will pay the balance of "Your" insured loss within thirty (30) days of receiving such evidence.
- (2) If "You" notify "Us" at the time of delivery of "Your" Proof of Loss of "Your" intention to repair, rebuild or replace the damaged building(s), but not on the same premises, with a building(s) of like use, and within thirty (30) days following the initial payment construction has been commenced, and "You" furnish proof satisfactory to "Us" within twelve (12) months of the date of loss, that "You" have spent an amount not less than the total amount of all insurance payable, including amounts deferred or conditionally payable as well as amounts already paid, "We" will pay the balance up to ninety percent (90%) of "Your" insured loss within thirty (30) days of receiving such evidence.
- (3) If due to any ordinance or law regulating construction or repair "You" are prohibited from repairing, rebuilding or replacing the damaged building(s) on the same premises, and "You" notify "Us" at the time of delivery of "Your" Proof(s) of Loss, of "Your" intention to rebuild or replace the destroyed building(s) of like use on land owned by "You" on other than the same premises and within thirty (30) days following the initial payment construction has been commenced, and "You" furnish proof satisfactory to "Us" within twelve (12) months of the date of loss, that "You" have spent an amount not less than the total amount of all insurance payable, including amounts deferred or conditionally paid in respect thereof, "We" will pay the balance of "Your" insured loss within thirty (30) days of receiving such evidence.

Failing compliance with the above provision, the initial payment shall be the only payment under this Policy in respect to the building(s) loss.

#### Definition

"Vacant" means the occupant(s) has/have moved out with no intent to return, even if partially or fully furnished. A newly constructed "Dwelling" or building is vacant after it is completed and before the occupant(s) move(s) in. Furthermore, the "Dwelling" or building is also vacant when the occupant(s) move(s) out and before any new occupant(s) move(s) in.

**All exclusions, terms, provisions and conditions of this Policy apply.**