

WRECKAGE VALUE ENDORSEMENT

Applicable only to the buildings or structures indicated on the Declarations Page of the Policy.

In consideration of the premium charged for this insurance and subject to the terms, conditions and limitations of the Policy including endorsements thereon, it is agreed between the Insurer and the Insured that, in the event of loss, destruction or damage by a peril insured against under the Policy, the amount of the loss shall be ascertained in accordance with the terms and provisions of the Policy subject to the following:

- a. payment of any loss in respect of the buildings or structures shall be conditional upon the Insured giving a firm undertaking in a satisfactory to the Insurer that within 12 months of such loss, destruction or damage, the Insured shall expend all insurance monies payable in repairing, replacing, constructing or reconstructing (whichever is the least) the buildings or structures on the same site or on an adjacent site with materials of like kind and quality, and for like occupancy;
- b. if the Insured fails to repair, replace, construct or reconstruct the buildings or structures in accordance with paragraph (a), liability is limited to wreckage value, that is to say the market value, immediately prior to the loss, of the used materials comprising the buildings or structures;
- c. in respect only to the buildings or structures to which this endorsement is applicable, the following co-insurance clause shall be deemed to be a part of the Policy and, in the event of the Policy containing any other co-insurance clause, such other clause, in respect only to such buildings or structures, shall be deemed to be deleted:

“It is part of the consideration of the Policy, and the basis upon which the premium is determined, that the Insured shall maintain insurance concurrent in form, range and wording with the Policy on the buildings or structures insured to the extent of at least the amount indicated on the Declarations Page and that failing so to do, the Insured shall be a co-insurer to the extent of an amount sufficient to make the total amount of insurance equal to that amount and, in that capacity, shall bear his, her or their proportion of any loss that may occur”;

- d. if the Policy contains a co-insurance clause waiver, such waiver shall not apply to the buildings or structures to which the endorsement is applicable;
- e. in the event of the amount of loss being calculated under the provisions of paragraph (b) hereof, the Insurer shall return to the Insured 50 per cent of the premium under the Policy for the unexpired term thereof in respect to the property destroyed or damaged.