

ADDITIONAL REBUILDING COST BASIS OF CLAIM PAYMENT ENDORSEMENT - DWELLING

If the "Declaration Page" shows that the Additional Rebuilding Cost Basis of Claim Payment Endorsement - Dwelling applies, the Basis of Claim Payment for the "Dwelling" is amended as follows:

When an insured peril causes damage to the insured "Dwelling" "we" will pay an additional amount, not exceeding 25% of the "Dwelling" limit stated on the "Declaration Page", to respond to the cost of repairs or rebuilding, even if it exceeds the amount of insurance shown on the Declaration Page for the insured "Dwelling" provided the following conditions are met:

1. the amount of insurance shown on the "Declaration Page" for the insured "Dwelling":
 - a. on the inception date of the policy; or
 - b. the most recent renewal date; or
 - c. the increased amount under the Inflation Protection Additional Coverage on the date the increase took effect;is not less than 100% of the cost to rebuild the "Dwelling" on the date of the occurrence, as determined by a dwelling valuation guide acceptable to us; and
2. the amount of insurance applicable to the Dwelling has not been reduced below the amount determined by the dwelling valuation guide acceptable to us; and
3. "you" notified "us" within 30 days of the start of any additions or other physical changes to the "Dwelling" where the value of the improvement, extension or addition increased the rebuilding cost of the "Dwelling" by 5% or more; and
4. "you" repair or rebuild the damaged or destroyed "Dwelling" on the same site with a "Dwelling" with materials of similar quality using current building techniques within a reasonable amount of time after the date of the occurrence.

In determining the cost of repairs or rebuilding "we" will not pay or include the increased cost of repair, replacing or rebuilding due to the operation of any by-law, regulation, ordinance, code or law regulating the zoning, demolition, repair or construction of buildings and their related services.

All other terms, definitions, exclusions, and conditions of the policy to which this endorsement is attached apply and remain unchanged.