THIS POLICY CONTAINS A LIMITATION OF LIABILITY CLAUSE

SPECIAL SELECT CLASSIFICATION

THE WAWANESA MUTUAL INSURANCE COMPANY

THIS ENDORSEMENT is hereby made a part of my application of even date for Fire Insurance on property located on the E. ** *** ** ** *** *** ** ** ** ** *** ** ** ** *** ** ** *** *** *** ** ***

IN CONSIDERATION of the reduced premium or in consideration of the conditions under which this policy will be assessed and at the request of the insured, it is understood and agreed between the parties hereto that the insurer's liability hereunder in respect of any building covered by this policy, shall in the event of loss hereunder, be limited to an amount not exceeding one-half of the insurance granted by this policy on said building, and not exceeding one-half of any loss which may be sustained to any such building by fire or lightning, and not exceeding 372 per cent. of the actual cash value of the said building at the time of such loss; provided, however, that if and when the insured has expended in replacing, repairing or rebuilding on or within a distance of 200 ft. from its former site any building damaged or destroyed by fire or lightning and covered by this policy a sum amounting to at least double the amount of the insurer's liability in respect of such building as hereinbefore set out, within nine months from the date of such loss or damage and notice of such expenditure is given in writing by the insured to the insurer within thirty days thereafter, a further sum equal to the insurer's liability in respect of such building shall be payable to the insured within thirty days after receipt of said notice, together with interest thereon at the rate of 6% per annum commencing to run sixty days after the completion of the proofs of loss; and provided further that if the insured has not so replaced, repaired or rebuilt said building within nine months from the date of such loss or damage and notice to that effect is given in writing by the insured to the insurer within thirty days thereafter the insurer will within thirty days after receipt of said notice return to the insured one-half of the premium paid by him in respect of the insurance on said building damaged or destroyed by fire or lightning. On all items in this Policy other than buildings the insurer shall not be liable for more than 75% of the actual cash value of the property insured.

(Sg'd) E.A. Merriman.

(Sg'd) G.L. Tastad.

Signature of Insured

Dated at Wawanesa this 9th day of February

in the Province of Manitoba.

Attached to and forming part of Policy # 207901 of The Wawanesa Mutual Insurance Company.

For the Company.