

# VALUATION CLAUSE ENDORSEMENT

This Endorsement Changes The Bond. Please Read it Carefully.

Certain words and phrases that appear in bold have special meaning as defined in the Intact form to which this Endorsement is attached.

The titles of sections or paragraphs listed below should not be considered for purposes of interpreting the intent of this Form; these titles have only been inserted for ease of reading.

In consideration of the payment of the premium, it is hereby understood and agreed that:

The attached "**Bond**" is amended as follows:

1. By deleting the entire first paragraph of **Section 6. VALUATION** and replacing by the following:

Any loss of "**Money**", or loss payable in "**Money**", shall be paid, at the option of the "**Insured**", in the "**Money**" of the country in which the loss was sustained or in the Canadian dollar equivalent thereof determined at the rate of exchange on the day preceding the discovery of payment of such loss.

2. By deleting the entire second paragraph, entitled **Securities**, of **Section 6. VALUATION** and replacing by the following:

The "**Underwriter**" shall settle in kind its liability under this "**Bond**" on account of a loss of any securities or shall pay to the "**Insured**" the cost of replacing such securities, determined by the average market value of such securities on the day preceding the discovery of such loss. However, if prior to the settlement of the claim by the "**Underwriter**", the "**Insured**" shall be compelled by the demands of a third party or by market rules to purchase equivalent securities, and gives written notification of this to the "**Underwriter**", the cost incurred by the "**Insured**" shall be taken as the value of those securities. In case of a loss of subscription, conversion or redemption privileges through the misplacement or loss of securities, the amount of such loss shall be the value of such privileges immediately preceding the expiration thereof. If such securities cannot be replaced or have no quoted market value, or if such privileges have no quoted market value, their value shall be determined by agreement or arbitration.

All other terms and conditions of the policy remain unchanged.