

RISK IMPROVEMENT COVERAGE ENDORSEMENT

In consideration of additional premium, this policy is extended as follows, subject to the terms and conditions of this policy, and to the extent shown in the declarations section.

1. Coverage Provided:

The reasonable and necessary additional cost incurred by the Insured within two years of the physical loss or damage, at the **location** where the physical loss or damage occurred or, if damaged property is rebuilt, repaired or replaced at another site, at such other site, to satisfy physical protection loss prevention recommendations published in the FM Global Property Loss Prevention Data Sheets current at the time of physical loss or damage utilizing FM Approved products and materials where applicable.

2. Additional Exclusions:

This endorsement does not cover:

- a. Stock, **raw materials**, work in process, **finished goods**, merchandise, **processing water**, moulds and dies, property in the open, property of others for which the insured is legally liable, or personal property of employees and officers.
- b. Any loss adjusted on any valuation basis other than repair or replacement cost basis as per the Basis of Valuation section of this policy.
- c. Any loss covered under any other section of this policy.
- d. Any cost incurred due to any law or ordinance with which the Insured was legally obligated to comply prior to the time of the insured direct physical loss or damage.
- e. **Business Interruption.**

3. Additional Condition:

Notwithstanding any other provision in this Policy, the Insured must repair or replace the insured real and/or personal property lost, damaged or destroyed as a condition for coverage under this endorsement.

It is understood that coverage granted by this endorsement is a part of, and not in addition to, the policy limit of liability or any other sub-limits of liability in this policy.

All other terms and conditions of this policy remain unchanged.