

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LOSS SETTLEMENT AMENDMENT - DWELLING REPLACEMENT COST

<i>Attached To and Forming Part of Policy</i>	<i>Effective Date of Endorsement</i> 12:01AM at the Named Insured address shown on the Declarations	<i>Named Insured</i>
<i>Additional Premium:</i>		<i>Return Premium:</i>

This endorsement modifies insurance under the following:

HOMEOWNERS COVERAGE

SECTION I – CONDITIONS, D. Loss Settlement, Paragraph **2.a.** is deleted and replaced by the following solely with respect to "loss" other than hail "loss":

- a. The amount we will pay for "loss" to your dwelling covered under **COVERAGE A**, except for hail "loss", will be:

WITH RESPECT TO A TOTAL LOSS. In the event of a **Total Loss** resulting from covered perils, the amount of "loss" will be equal to the **COVERAGE A** Limit of Liability shown on the Declarations if you replace the dwelling. A total loss occurs when your dwelling is damaged beyond reasonable repair.

If you decide not to replace, then the amount we pay for "loss" to your covered property will be the lowest of:

- (1) The "actual cash value" of the damaged property immediately preceding the "loss";
- (2) The cost of replacing your property; or
- (3) The **COVERAGE A** Limit of Liability.

WITH RESPECT TO A PARTIAL LOSS IF YOUR DWELLING WAS MANUFACTURED LESS THAN OR EQUAL TO 10 YEARS PRIOR TO THE DATE OF LOSS. In the event of a **Partial Loss** resulting from covered perils, the amount of "loss", except for hail "loss", will be the cost of repairing or replacing the damaged portion of the dwelling not to exceed the **COVERAGE A** Limit of Liability shown on the Declarations.

If you decide not to repair or replace, then the amount we pay for "loss" to your covered property will be the lowest of:

- (1) The "actual cash value" of the damaged property immediately preceding the "loss";
- (2) The cost of replacing your property; or
- (3) The **COVERAGE A** Limit of Liability.

WITH RESPECT TO A PARTIAL LOSS IF YOUR DWELLING WAS MANUFACTURED MORE THAN 10 YEARS PRIOR TO THE DATE OF LOSS. Whether or not you decide to repair or replace the dwelling, Paragraph **2.a.** of **SECTION I – CONDITIONS, D. Loss Settlement** applies as written in the Policy.

The following is added to **SECTION I – CONDITIONS, D. Loss Settlement**:

We will pay no more than the "actual cash value" of the "loss" until actual repair or replacement is completed. Once actual repair or replacement is completed, we will settle the "loss" as described in Paragraph **2.a.** above.

The choice not to immediately repair or replace your property will not affect your right to pursue your claim within 180 days after the "loss" for any additional payments that may be due to you. Proof of replacement or repair must be submitted.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

SPECIMEN