

PLEASE READ THIS ENDORSEMENT CAREFULLY, AS IT MODIFIES THE POLICY.

## DWELLING REPAIR OR REPLACEMENT COST COVERAGE

With respect only to the coverage provided by this endorsement, “your” policy is amended as indicated.

### SECTION I – CONDITIONS

Paragraph **C. Loss Settlement** is replaced with the following terms and provisions with respect only to the dwelling(s) identified in the Declarations with this form number.

#### C. Loss Settlement

1. In consideration of the special characteristics of “your” dwelling, “we” agree to amend the present Dwelling Coverage amounts described in the Declarations in accordance with the following provisions:
  - a. If “you” have:
    - (1) Allowed “us” to adjust the Dwelling Coverage amount and premium in accordance with:
      - (a) The property evaluations “we” make, and
      - (b) Any increase in inflation; and
    - (2) Notified “us”, within 30 days of completion of any alterations to the dwelling which increases the replacement cost of the dwelling by 5% or more; and
    - (3) Elected to repair or replace the damaged building.
  - b. “We” will:
    - (1) Increase the Dwelling Coverage amount by up to 25% if the amount of loss or damage to the dwelling is more than the amount of coverage indicated on the Declarations; and
    - (2) Increase the amount of coverage for Other Structures, Personal Property, and Loss of Use by the same percentage applied to the Dwelling Coverage Amount. “We” will only do this if the Dwelling Coverage amount is increased as a result of dwelling loss covered by paragraph **a.** above; and
    - (3) Adjust the policy premium from the time of the loss for the remainder of the policy period based on the increased amounts of coverage.
2. If “you” comply with the provisions of this endorsement and there is loss to a dwelling insured under the Dwelling Coverage, the loss settlement provisions for the dwelling are amended as follows:
  - a. Dwellings will be settled at replacement or repair cost without deduction for depreciation. “We” will pay no more than the smallest of the following amounts for equivalent construction and use on the same “insured premises”:
    - (1) The replacement cost of the dwelling or any parts of it;
    - (2) The amount actually and necessarily spent to repair or replace the dwelling or any parts of it; or
    - (3) 125% of the amount of coverage shown in the Declarations for Dwelling Coverage.
  - b. “We” will pay no more than the “actual cash value” of the loss or damage until actual repair or replacement is completed.
  - c. “You” may disregard this dwelling repair or replacement cost loss settlement provision and make a claim for the “actual cash value” of the loss to the dwelling before repairs are made. A claim for any additional amount payable under this coverage must be made within 180 days after the date of loss.

#### **Missouri Policy Exception – applicable only to policies issued in the state of Missouri:**

If “you” fail to notify “us” of “your” intent to make additional claim within the 180 day time frame, such failure will not invalidate the claim unless such failure operates to prejudice “our” rights.

All other terms and conditions of this policy apply.