

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

ROOF SURFACING LIMITATION ACTUAL CASH VALUE FOR WINDSTORM OR HAIL LOSS

With respect to loss caused by windstorm or hail, "your" policy is amended as indicated.

It is agreed that replacement cost loss settlement terms are deleted and replaced by actual cash value loss settlement terms. This applies to the roof on the building(s) identified in the Declarations with this form number.

Loss Settlement

"We" will pay the smallest of the following amounts:

- a. The actual cash value of the covered property at the time of loss. Actual cash value includes a deduction for depreciation;

Depreciation means a reduction in value of the covered property as the result of wear and tear, age, or technological or economic obsolescence. Depreciation will not apply to the repair of covered property unless the repair improves or prolongs the useful life or results in an increase in the monetary value of the covered property. Depreciation also applies to labor and materials.

- b. The cost to repair or replace that part of the covered property with property of like kind and quality;
- c. The limit of insurance applicable to the damaged property; or
- d. Any special limits of insurance stated in the policy or by endorsement.

The loss settlement terms apply to "roof surfacing" 10 years old, or older.

DEFINITIONS

The following definition is added:

1. "Roof surfacing" means:
 - a. A building or structure's roof cladding, including but not limited to panels, shakes, sheeting, shingles, and tiles, regardless of the material of which it is composed;
 - b. Materials applied to or under roof cladding to protect against moisture intrusion;
 - c. Materials used to secure roof cladding, or materials applied to or under roof cladding to protect against moisture intrusion; and
 - d. Roof flashing.

All other terms and conditions of this policy apply.