

REPLACEMENT COST DWELLING

SECTION I – CONDITIONS

Item 4, Loss Settlement is replaced by the following:

4. **Loss Settlement.** Covered property losses are settled as follows:

- a. Our limit of liability and payment for covered losses to personal property, wall to wall carpeting, cloth awnings and fences will not exceed the smallest of the following:

- 1) The actual cash value at the time of loss determined with proper deduction for depreciation;
- 2) The cost to repair or replace the damaged property with material of like kind and quality, with proper deduction for depreciation; or
- 3) The specified limit of liability of the policy.

- b. Our limit of liability for covered losses to dwelling and other structure(s) under Coverage A (Dwelling), except **roof surface(s)** damaged by windstorm or hail, wall to wall carpeting, cloth awnings and fences, will be at replacement cost settlement subject to the following:

- 1) If, at the time of loss, the Coverage A (Dwelling) limit of liability is 80% or more of the full replacement cost of the dwelling, we will pay the repair or replacement cost of the damaged building structure(s), without deduction for depreciation.
- 2) If, at the time of loss, the Coverage A (Dwelling) limit of liability is less than 80% of the full replacement cost of the dwelling, we will pay only a proportionate share of the full replacement cost of the damaged building structure(s). Our share is equal to:

$$\frac{\text{Replacement Cost of the Loss}}{\text{Coverage A (Dwelling) Limit of Liability}} \times 80\% \text{ of Replacement Cost of the Dwelling}$$

- 3) If, at the time of loss, the actual cash value of the damaged building structure(s) is greater than the replacement cost determined under 1) or 2) above, we will pay the actual cash value up to the applicable limit of liability.

In determining the amount of insurance required to equal 80% of the full replacement cost of the dwelling, do not

include the value of excavations, underground pipes, and wiring and foundations which are below the surface of the ground.

For loss or damage excluding any **roof surface(s)** damaged by windstorm or hail, we will pay no more than the actual cash value of the damaged building structure(s) until repair or replacement is completed and the amount spent is documented. You must provide to us copies of paid receipts for the completed repair work, or a completion certificate and final invoice. Repair or replacement must be completed within 180 days after we or our agent are notified of the loss unless you request an extension of an additional 180 days in writing on a form provided by us, and mail it to us as instructed. Our payment will not exceed the smallest of the following:

- 1) The limit of liability under this policy applicable to the damaged or destroyed building structure(s);
 - 2) The cost to repair or replace that part of the building structure(s) damaged, with material of like kind and quality and for the same use and occupancy on the same premises; or
 - 3) The amount actually and necessarily spent to repair or replace the damaged building structure(s).
- c. For **roof surface(s)** damaged by windstorm or hail, we will pay no more than the smallest of the following amounts for a covered loss until you have complied with the provisions of 4.d. below. Once you have complied with those provisions, we will settle the loss according to the provisions of 4.b. above.
- 1) The cost to repair the part(s) of the roof surface(s) damaged or destroyed by windstorm or hail;
 - 2) The applicable percentage(s) of the replacement cost of the **roof surface(s)** damaged or destroyed by windstorm or hail as indicated in the Windstorm Or Hail Roof Payment Schedule below. If the age of the **roofing** cannot be determined, we will pay no more than the actual cash value of the damaged property until actual repair or replacement is completed; or
 - 3) The Limit of Liability for Coverage A (Dwelling) shown in the Declarations

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that applies to the damaged or destroyed **roof surface(s)** regardless of the number of buildings or other structures involved in the loss.

WINDSTORM OR HAIL ROOF PAYMENT SCHEDULE

The applicable percentage of indemnity shown in the Windstorm Or Hail Roof Payment Schedule below will apply to all **roof surface(s)**. The age of **roofing** means the year of the loss minus the year of the last full roof replacement of the most prevalent **roofing** type.

Roofing Type						
Age of Roofing	Composition	Slate	Tile	Wood	Metal	All/Other Roofing Types
0	100%	100%	100%	100%	100%	100%
1	97%	99%	98%	98%	99%	97%
2	94%	98%	96%	96%	98%	94%
3	91%	97%	94%	94%	97%	91%
4	88%	96%	92%	92%	96%	88%
5	85%	95%	90%	90%	95%	85%
6	82%	94%	88%	88%	94%	82%
7	79%	93%	86%	86%	93%	79%
8	76%	92%	84%	84%	92%	76%
9	73%	91%	82%	82%	91%	73%
10	70%	90%	80%	80%	90%	70%
11	67%	89%	78%	78%	89%	67%
12	64%	88%	76%	76%	88%	64%
13	61%	87%	74%	74%	87%	61%
14	58%	86%	72%	72%	86%	58%
15	55%	85%	70%	70%	85%	55%
16	52%	84%	68%	68%	84%	52%
17	49%	83%	66%	66%	83%	49%
18	46%	82%	64%	64%	82%	46%
19	43%	81%	62%	62%	81%	43%
20	40%	80%	60%	60%	80%	40%
21	37%	79%	58%	58%	79%	37%
22	34%	78%	56%	56%	78%	34%
23	31%	77%	54%	54%	77%	31%
24	28%	76%	52%	52%	76%	28%
25	25%	75%	50%	50%	75%	25%
26	25%	74%	48%	48%	74%	25%
27	25%	73%	46%	46%	73%	25%
28	25%	72%	44%	44%	72%	25%
29	25%	71%	42%	42%	71%	25%
30 or Over	25%	70%	40%	40%	70%	25%

- d. For **roof surface(s)** damaged by windstorm or hail, we will pay no more than the applicable percentage of indemnity shown in the Windstorm Or Hail Roof Payment Schedule for the damaged building structure(s) until repair or replacement is completed and the amount spent is documented. You must provide to us copies of paid receipts for the completed repair work, or a completion certificate and final invoice. Repair or replacement must be completed within 180 days after we or our agent are notified of the loss unless you request an extension of an additional 180 days in writing on a form provided by us, and mail it to us as instructed.

All other provisions of this policy apply.