

GOLD STAR HOMEOWNERS AMENDATORY ENDORSEMENT

This endorsement modifies such insurance as is afforded by this policy and replaces any Gold Star Homeowners Amendatory Endorsement previously a part of this policy.

This policy is amended as follows:

SUPPLEMENTARY COVERAGES - SECTION I

The Supplementary Coverage of **Increased Building Replacement Coverage** is deleted and replaced by:

Increased Building Limit Coverage. We will settle covered losses to the dwelling under Coverage A - Dwelling and to detached garage(s) under Dwelling Extension at replacement cost up to a maximum of 120% of the **limit** applying to the damaged building, subject to the following provisions:

- a. **You** have insured **your** dwelling and detached garage(s) to a minimum of 100% of their replacement cost as estimated by **our** residential building cost guide.
- b. **You** have notified **us** within 90 days of the start of any new detached garage valued at \$5,000 or more or any additions to or remodeling of a dwelling or detached garage which increase their replacement cost value by \$5,000 or more. If **you** fail to notify **us** within 90 days, **our** payment will not exceed the **limit** applying to the building, as outlined in Conditions - Section I, under Loss Value Determination (shown below).
- c. **You** have paid any additional premium due for the increase in value.

The Increased Building Limit Coverage only applies to dwellings and detached garage(s) that are repaired or replaced after a covered loss. This coverage does not apply to dwellings or detached garage(s) under construction until completed and occupied.

CONDITIONS - SECTION I

The **Loss Value Determination** condition is deleted and replaced by:

Loss Value Determination.

a. **Personal Property, Structures, Awnings, Carpeting, Household Appliances and Outdoor Antennas.**

- (1) Loss to covered property not covered by Option 14 - Personal Property Replacement Coverage will be settled subject to the following:

We will pay the smaller of:

- (a) the actual cash value at the time of loss but not more than the cost to repair or replace the damaged property with property of like kind and quality; or
- (b) any policy **limit** which applies.

- (2) Loss to covered property covered by Option 14 - Personal Property Replacement Coverage will be settled as provided under Option 14 - Personal Property Replacement Coverage.

b. **Buildings Which Have a Permanent Foundation and Roof Insured at 100% of Replacement Cost.**

Buildings insured at 100% of replacement cost will be settled at replacement cost, subject to the following:

(1) **Replacement Cost.**

If at the time of loss, the Increased Building Limit Coverage as provided under the Supplementary Coverages - Section I applies, **we** will pay the cost to repair the damaged portion or replace the damaged building, provided repairs to the damaged portion or replacement of the damaged building are completed, but not exceeding the smallest of:

- (a) the cost to replace the damaged building with like construction for similar use on the same premises;
- (b) the amount actually and necessarily spent for repair of the damaged portion or replacement of the damaged building; or
- (c) 120% of the **limit** applying to the damaged building.

(2) **Actual Cash Value.**

If at the time of loss, the Increased Building Limit Coverage as provided under the Supplementary Coverages - Section I applies and the building is not repaired or replaced, **we** will pay the actual cash value at the time of loss of the damaged portion of the building up to the **limit** applying to the building.

c. **Buildings Which Have a Permanent Foundation and Roof Insured for Less than 100% of Replacement Cost.**

Buildings insured for less than 100% of replacement cost will be settled, subject to the following:

(1) **Replacement Cost.**

If at the time of loss, the Increased Building Limit Coverage as provided under the Supplementary Coverages - Section I does not apply, **we** will pay the cost to repair the damaged portion or replace the damaged building, provided repairs to the damaged portion or replacement of the damaged building are completed, but not exceeding the smallest of:

- (a) the cost to replace the damaged building with like construction for similar use on the same premises;
- (b) the amount actually and necessarily spent for repair of the damaged portion or replacement of the damaged building; or
- (c) the **limit** applying to the damaged building.

(2) **Actual Cash Value.**

If at the time of loss, the Increased Building Limit Coverage as provided under the Supplementary Coverages - Section I does not apply and the building is not repaired or replaced, **we** will pay the actual cash value at the time of loss of the damaged portion of the building up to the **limit** applying to the building.

d. **Procedures to Claim Replacement Coverage.**

If **you** receive an actual cash value settlement for damaged property covered by replacement coverage and **you** have not reached **your limit**, **you** may make a further claim under this condition for replacement cost, provided repairs to the damaged portion or replacement of the damaged building are completed within one year of the date of loss.

The following condition is added:

Estimated Replacement Cost. **Our** residential building cost guide may be used to develop an estimated replacement cost based on general information about **your** dwelling. It is developed from researched costs of construction materials and labor rates. This is the minimum amount for which to insure **your** dwelling. The actual cost to replace **your** dwelling may be different. **We** do not guarantee that this figure will represent the actual cost to replace **your** dwelling. **You** are responsible for selecting the appropriate amount of coverage. **You** may wish to obtain a detailed replacement cost appraisal or estimate from a contractor. **You** may select a coverage amount equal to that appraised value or that cost of construction, if the amount is greater than the replacement cost as estimated by **our** residential building cost guide, and **we** agree to that amount.

All other terms remain unchanged.

SPECIMEN