

## SPECIFIED ADDITIONAL AMOUNT OF INSURANCE COVERAGE A

(Entries required to complete the Schedule will  
be shown below or on the "declarations".)

### Schedule

**Additional Amount Of Insurance:** 25%

This policy is amended to include the following "terms". All other "terms" of the policy apply, except as amended by this endorsement.

1. The Additional Amount Of Insurance provided by this endorsement applies only to the residence covered under Coverage A and only when:

- a. loss to that residence exceeds the Coverage A "limit" shown on the "declarations";
- b. "you" have:
  - 1) notified "us" within 30 days of completion of any additions or alterations to or remodeling of the residence covered under Coverage A that increase its replacement cost by 5% or more; and
  - 2) permitted "us" to adjust the Coverage A "limit" and the premium in accordance with:
    - a) any property evaluations made by "us"; and
    - b) any increase in construction costs due to inflation; and
- c. after a loss, "you" elect to repair or replace the damaged residence.

2. Subject to the "terms" stated in 1. above, if there is a covered loss to the residence covered under Coverage A that exceeds the Coverage A "limit" shown on the "declarations", with respect to that loss only, the following amendments apply to How Much We Pay For Loss Or Occurrence:

- a. Our Limit is deleted and replaced by the following:

**Our Limit** -- "We" pay the lesser of:

- 1) the Coverage A "limit" shown on the "declarations" plus the Additional Amount Of Insurance shown in the Schedule above; or
- 2) the amount determined under the applicable Loss Settlement Terms;

regardless of the number of "insureds" with an interest in the property.

However, in no event will "we" pay an "insured" an amount that exceeds his or her interest in the property at the time of loss.

To determine the dollar amount of the Additional Amount Of Insurance, multiply the Coverage A "limit" shown on the "declarations" by the Additional Amount Of Insurance percentage shown in the Schedule.

- b. Items b) and d) under the Replacement Cost Terms are deleted.
- c. Item c) under the Replacement Cost Terms is deleted and replaced by the following:
  - c) The smaller of the following amounts is used in applying the "terms" under Our Limit:
    - (1) the cost to repair or replace the damage:
      - (a) using materials of like kind and quality; and
      - (b) for like use; or
    - (2) the amount actually and necessarily spent to repair or replace the damaged building on the "described location" or some other premises within the state of North Carolina.
- d. Item e) under the Replacement Cost Terms is deleted and replaced by the following:
  - e) "We" will pay no more than the actual cash value of the loss until repair or replacement is completed.
- e. Item f) under the Replacement Cost Terms is deleted and replaced by the following:
  - f) At "your" option, "you" may make a claim under the Actual Cash Value Terms instead of the Replacement Cost Terms. "You" may later make a claim for any additional amount payable under the Replacement Cost Terms, but only if "you" have informed "us", within 180 days after the date of loss, that "you" plan to do so.

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