

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:

%

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 to reflect:
 - 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 only to that loss, How Much We Pay For Loss Or Occurrence is amended as follows:

- 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, no "insured" will be paid 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 above.

b. Items b) and d) under the Replacement Cost Terms (Replacement Cost Terms That Apply To Coverage A And Coverage B Only in form HO 0005) are deleted.

c. Item c) under the Replacement Cost Terms (Replacement Cost Terms That Apply To Coverage A And Coverage B Only in form HO 0005) 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 amount actually and necessarily spent to repair or replace the damaged building; or
 - (2) the cost to repair or replace the damage:

- (a) using materials of like kind and quality; and
- (b) for like use.

However, when a damaged building is rebuilt at another location, such cost is limited to the cost that would have been incurred if the building had been repaired or replaced at the location where the damage occurred.

d. Item e) under the Replacement Cost Terms (Replacement Cost Terms That Apply To Coverage A And Coverage B Only in form HO 0005) 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.