

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **GUARANTEED REPLACEMENT COST- NY**

To the extent that coverage is provided, we agree to amend the present limits of liability in accordance with the following provisions:

**A.** If you have:

1. Agreed to allow us to adjust the **Coverage A – Dwelling** limit of insurance stated in the Declarations Page and the premium in accordance with:
  - a. The property evaluation\* made by us; and
  - b. Any increases in inflation; and
2. You are required to notify us, within 30 days of completion, of any alterations, additions, or improvements to your dwelling if the resulting increase in the replacement of the dwelling is 5% or more of the Building Limit of Liability.

The provisions of this endorsement will apply after a loss, provided you elect to repair or replace your dwelling.

**B.** If there is a loss to the dwelling that exceeds **Coverage A – Dwelling** limit of liability shown in the Declarations Page, with respect to any building covered under this policy:

1. We will increase the **Coverage A – Dwelling** limit of liability to equal the current replacement cost of the dwelling.
2. As respects Coverage A- Dwelling only and for the purpose of settling Coverage A losses only, **Section 1 Conditions, Item D. Loss Settlement, paragraph 2.a. through 2.e are** deleted and replaced as follows:

2. Building under **Coverage A – Dwelling** at replacement cost without deduction for depreciation.

a. We will pay no more than the smallest of the following amounts for like use on the same ~~premises~~

- (1) The replacement cost of that part of the building damaged or destroyed;
- (2) The necessary amount actually spent to repair or replace the building damaged or destroyed; or
- (3) The limit of liability under this policy that applies to the building, increased according to paragraph **B.1** of this endorsement.

If the building is rebuilt at a new premises, the cost described in **2.** is limited to the cost which would have been incurred if the building had been rebuilt at the original premises.

- b. We will pay no more than the actual cash value of the damage until actual repair or replacement is complete.
- c. You may disregard the replacement cost loss settlement provisions and make a claim under this policy for loss or damage to buildings on an actual cash value basis. You may then make a claim within 180 days after loss for any additional liability on a replacement cost basis.

This endorsement does not apply to land, including land on which the covered dwelling or other structures are located. All other policy terms and conditions apply.

\* The insurer uses a proprietary building valuation system that is built upon metrics generated by RS Means, the world's leading provider of construction cost data, software, and services for all phases of the construction lifecycle. The cost to replace a structure is based on construction type, size and geographic area and all are taken into consideration. The valuation system generates a building value that the insurer believes is a supportable total construction cost to repair or replace the structure with like kind and quality.