This endorsement changes the policy -- PLEASE READ THIS CAREFULLY --

REPLACEMENT VALUE LOSS SETTLEMENT TERMS

1. “Replacement value” means the cost to repair or replace the property with new property of equivalent kind and quality to the extent practical, without deduction for depreciation.

2. The Replacement Value Terms set forth in this endorsement apply to the following covered property:
   a. Coverage C – Personal Property;
   b. appliances and window air conditioners;
   c. carpets and window coverings;
   d. awnings and canopies; and
   e. antennas.

3. a. Property subject to special “limits” – This endorsement does not cover the following property for more than the “limit” shown:
   1) $1,000 on antiques, fine arts, paintings and similar articles of rarity or antiquity which cannot be replaced;
   2) $1,000 on memorabilia, souvenirs, collectors items and similar articles whose age or history contribute to their value; and
   3) $1,000 for articles that are:
      a) not maintained in good or workable condition; or
      b) outdated or obsolete and are stored or not being used.

   b. Property Not Covered for “Replacement Value” – This endorsement does not apply to property covered by any scheduled insurance.

4. Under How Much We Pay For Loss or Claim, item 1.e., Loss Settlement Terms, is deleted and replaced by the following with respect to the property that is subject to the “terms” of this endorsement:

   e. Loss Settlement Terms – Subject to the “terms” shown under How Much We Pay For Loss or Claim and the “terms” of this endorsement, “we” settle losses according to the Replacement Value Terms. If the Replacement Value Terms do not apply, “we” settle losses according to the Actual Cash Value Terms.

   1) Replacement Value Terms
      a) The smallest of the following amounts, for each covered item, is used in applying the “terms” under Our Limit:
         (1) the “replacement value” of the property as defined in this endorsement;
         (2) the full cost of repair at the time of loss;
         (3) the amount computed after any special limitation in this policy has been applied to the loss; or
         (4) for loss to property covered under Coverage C, the Coverage C “limit”.

      b) When the “replacement value” for each “occurrence” is more than $500, “we” do not pay for more than the actual cash value of the loss until actual repair or replacement is completed. “You” may make a claim for the actual cash value amount of the loss before repairs are made or replacement is completed. A claim for any additional amount payable under this provision must be made within 6 months after the date of loss.

   2) Actual Cash Value Terms – Actual Cash Value includes a deduction for depreciation, however caused.
      a) The Actual Cash Value Terms apply to all property not subject to the Replacement Value Terms.
      b) The smaller of the following amounts is used in applying the “terms” under Our Limit:
         (1) the cost to repair or replace the property with materials of like kind and quality to the extent practical; or
         (2) the actual cash value of the property at the time of loss.

5. The coverage provided by this endorsement does not increase “our” “limit”. All other “terms” of the policy apply.