

ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement, effective 12:01 A.M.,
Forms a part of Policy No.:

**NAMED STORM PERCENTAGE DEDUCTIBLE ENDORSEMENT
SOUTH CAROLINA**

THIS POLICY CONTAINS A SEPARATE DEDUCTIBLE FOR NAMED STORM LOSSES, WHICH MAY RESULT IN HIGH OUT OF POCKET EXPENSES TO YOU. THE EXAMPLE SHOWN BELOW UNDER LOSS PAYMENT ILLUSTRATES HOW THE DEDUCTIBLE MIGHT AFFECT YOU.

This endorsement modifies insurance provided under the following:

BUILDERS' RISK COVERAGE – SCHEDULED JOBSITE FORM

The "terms" of this endorsement apply to property for which entries have been made on the Named Storm Deductible Schedule or the "Declarations" to show a Named Storm Percentage Deductible.

A named tropical windstorm or hurricane, referred to herein as a Named Storm, means a storm system that has been declared and named a tropical windstorm or hurricane by the National Hurricane Center (NHC) or the Central Pacific Hurricane Center (CPHC) of the National Weather Service. Under the terms of this endorsement, a Named Storm begins at the time a tropical storm or hurricane watch or warning is issued by the NHC or CPHC for the area in which the affected premises are located, and ends 72 hours following the termination of the last tropical storm or hurricane watch or warning issued for that area by the NHC or CPHC.

The Named Storm Deductible, as shown on the Named Storm Deductible Schedule and set forth in this endorsement, applies to covered loss or damage caused directly or indirectly by each Named Storm. If there is a covered loss or damage from windstorm that is not a Named Storm, the applicable deductible is the same deductible that applies to Fire, unless a different deductible is stated elsewhere in this policy for such loss or damage.

Nothing in this endorsement implies or affords coverage for any loss or damage that is excluded under the terms of a "Flood" Exclusion or any other exclusion in this policy. If this policy covers "Flood" under Supplemental Coverages, or is endorsed to cover "Flood" under the Scheduled Flood Coverage endorsement (or if you have a flood insurance policy), a separate "Flood" Deductible applies to loss or damage attributable to "Flood", in accordance with the terms of that endorsement or policy.

All other "terms" of this policy apply.

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HOW MUCH WE PAY

The deductible provision under How Much We Pay is replaced by the following when loss to covered property identified on the Named Storm Deductible Schedule is caused by or results from a Named Storm.

- 1. Named Storm Percentage Deductible** -- When a percentage deductible is indicated on the Named Storm Deductible Schedule, "we" will pay only that part of "your" loss over the deductible amount in any one occurrence, as determined below, regardless of any other cause or event that contributes concurrently or in any sequence to the loss. The deductible amount is determined by applying the percentage indicated on the Schedule to the value of covered property that is involved in the loss. In no event shall the amount of the deductible calculated be less than the Minimum Deductible amount shown in the Named Storm Schedule.
- 2. Value Determined At Time Of Loss** -- Only as regards the determination of the Percentage Deductible, the value of the covered property is determined at the time of loss or damage and in accordance with the provisions described under the Valuation section of the policy. The value of covered property is not based on the estimated completion value of the covered property.
- 3. Deductible Applies Separately** -- The percentage deductible applies separately to each covered building or structure. **LOSS PAYMENT**

Example -- Percentage Deductible

The amount of the percentage deductible will be determined as follows:

Percentage Deductible: 2%

Building No. 1

Value of Property Involved In Loss:

Building Property Value \$1,300,000

Calculation of Deductible:

Deductible Amount ($\$1,300,000 \times .02$) \$26,000

Loss:

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|-------------------------------|-----------------|
| Loss Amount Building Property | \$190,000 |
| Deductible Amount | <u>\$26,000</u> |
| After Deductible Loss Amount | \$164,000 |

Building No. 2

Value of Property Involved In Loss:

Building Property Value \$2,700,000

Calculation of Deductible:

Deductible Amount ($\$2,700,000 \times .02$) \$54,000

Loss:

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|-------------------------------|-----------------|
| Loss Amount Building Property | \$380,000 |
| Deductible Amount | <u>\$54,000</u> |
| After Deductible Loss Amount | \$326,000 |

After Deductible Total

| | |
|------------------------|------------------|
| Building No. 1 | \$164,000 |
| Building No. 2 | <u>\$326,000</u> |
| Total After Deductible | \$490,000 |

All other terms and conditions of the policy remain the same.

Authorized Representative