



December 15, 2004

CIRCULAR LETTER TO ALL MEMBER COMPANIES

Re: Homeowners 2000 Historic Home Endorsements
HH 32 03 01 04 Historic Home Endorsement
HH 32 10 01 04 Scheduled Architectural Features
HH 32 11 01 04 Historic Home Other Structures

The Commissioner of Insurance has approved revised Historic Home Endorsements designed for use in North Carolina with the Historic Home Policy. These revisions are being made to track the changes to the Homeowners 2000 Policy Program.

The revisions to the Historic Home Endorsements are formatting changes only and replace the present Homeowners Historic Home Endorsements.

For your convenience, attached is a copy of the Historic Home Endorsements as listed below.

HH 32 03 01 04	Historic Home Endorsement
HH 32 10 01 04	Scheduled Architectural Features
HH 32 11 01 04	Historic Home Other Structures

These changes become effective in accordance with the following Rule of Application:

This change becomes effective with respect to all new and renewal policies effective on or after April 1, 2005.

Please see to it that this circular is brought to the attention of all interested personnel in your company.

Very truly yours,

F. Timothy Lucas

Personal Lines Manager

F'TL:dp

Enclosures

P-04-21

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

HISTORIC HOME SPECIAL ENDORSEMENT - North Carolina

SECTION I – PROPERTY COVERAGES

B. Coverage B – Other Structures

- 1. Coverage B – Other Coverage does not apply to this policy unless added by endorsement.

SECTION I – CONDITIONS

C. Loss Settlement

Paragraph 2. is deleted and replaced by the following:

- 2. Buildings covered under Coverage **A** (excluding separately described and specifically insured building features) or **B** (if specifically described in this policy) for repair or reproduction with building materials of like kind and quality available in the United States, without deduction for depreciation, subject to the following:

- a. If, at the time of loss, the amount of insurance in this policy on the damaged building is *% or more of the full replacement cost of the building immediately before the loss, we will pay the cost to repair or reproduce, after application of deductible and without deduction for depreciation, but not more than the least of the following:

- (1) The limit of liability under this policy that applies to the building;
- (2) The reproduction cost of that part of the building damaged for equivalent use on the same premises: or
- (3) The amount actually and necessarily spent to repair or reproduce the damaged building on the residence premises or some other premises within the state of North Carolina.

- b. If, at the time of loss, the amount of insurance in this policy on the damaged building (including separately described and specially insured building features) is less than *% of the full reproduction cost of the building immediately before the loss, we will pay the greater of the following amounts, but no more than the limit of liability under this policy applying to the building:

- (1) The actual cash value of that part of the building damaged: or

- (2) The proportion of the cost to repair or reproduce after application of the deductible and without deduction for depreciation of that part of the building damaged which the total amount of insurance in this policy on the damaged building bears to the *% of the reproduction cost of the building.

- c. To determine the amount of insurance required to equal *% of the full reproduction cost of the building immediately before the loss, do not include the value of:

- (1) Excavations, foundations, piers, or any supports which are below the undersurface of the lowest basement floor;
- (2) Those supports in (a) above which are below the surface of the ground inside the foundation walls if there is no basement; and
- (3) Underground flues, pipes, wiring and drains.

- d. When the cost to repair or reproduce the damage is more than \$2,500 or more than 5% of the amount of insurance in this policy on the building whichever is less, we will pay not more than the actual cash value of the damage until actual repair or reproduction is completed. If repairs are subsequently made, you may then make claim within 180 days after the loss for any additional liability for loss or damage as provided under C. Loss Settlement 2. a. or b. above.

*Percentage that applies is _____%.

SECTION II – EXCLUSIONS

E. Coverage E – Personal Liability and Coverage F – Medical Payments to Others do not apply to bodily injury or property damage:

- 9. Arising out of public viewing of the insured residence premises for a fee.

For an additional premium, the above exclusion does not apply so long as the public viewing of the residence premises is limited as shown below:

- \$_____Public viewing 1-3 per year
- \$_____Public viewing 4-10 per year
- \$_____Public viewing 11 or more per year

All other provision of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**SCHEDULED ARCHITECTURAL FEATURES ENDORSEMENT –
North Carolina**

For an additional premium, we cover the articles of real property described below for the amount shown. This coverage is subject to all the provisions of the Historic Home policy.

DESCRIPTION

AGREED AMOUNT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**COVERAGE B – OTHER STRUCTURES (SPECIFIC INSURANCE) –
North Carolina**

Coverage B – Other Structures

For an additional premium, we cover under Coverage B – Other Structures, the following structures on the residence premises for the limit of liability shown below, which shall be considered specific insurance for these structures:

Identification of Structure

Limit of Liability

This endorsement provides the limit of liability for Coverage B – Other Structures on the policy Declarations page.

All other provisions of this policy apply.