



Fair • Faithful • Socially Responsible

MAX Family of Companies

MutualAid eXchange (MAX) • MAX Insurance Agency, Inc. • MII Management Group, Inc.

Insurance By More Than One Company

Old Form # ML-178

New Form # HO 6578

Summary of Changes:

Under How Much We Pay For Loss Or Occurrence, Loss Settlement Terms, Replacement Cost Terms in forms HO 0001, HO 0002, and HO 0003, and Replacement Cost Terms That Apply To Coverage A And Coverage B Only in form HO 0005, items b) and c) are deleted and replaced by the following:

b) If, at the time of loss, the total "limit" that applies to the damaged building written by all insurance companies participating in this insurance is less than 80% of its full replacement cost just before the loss, the larger of the following amounts is used in applying the "terms" under Our Limit:

(1) the "actual cash value" of the damaged part of the building just before the loss; or (2) that part of the cost to repair or replace the damaged part, after application of any deductible, which the "limit" on the damaged building bears to 80% of its full replacement cost just before the loss.

c) If, at the time of loss, the total "limit" that applies to the damaged building written by all insurance companies participating in this insurance is at least 80% of its full replacement cost just before the loss, 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.