

Amendatory Mandatory Endorsement

This Endorsement Changes The Policy. Please Read It Carefully.

For Use With Form HO A, HO-BT, HO-CT, HO-CON-B and HO-CON-C

SECTION I – CONDITIONS, Paragraph 7.

Appraisal is deleted in its entirety and replaced with the following:

7. **Appraisal.** If you and we fail to agree on the amount of loss from an occurrence claimed by you in accordance with the loss settlement provisions of your policy, either may demand an appraisal of the loss.

In the event of a demand for an appraisal of loss, each party shall choose a competent and disinterested appraiser within 20 days after receiving a written request from the other. During this same time period, the parties shall provide to each other in writing the name and contact information for their selected appraiser. The two appraisers shall attempt to select a competent and disinterested umpire.

If they cannot agree upon an umpire within 15 days after the selection of the second appraiser, you or we may request that the choice of a competent and disinterested umpire be made by a judge of a court of record in the state where the residence premises is located. You and we may also agree to delay selection of an umpire until the appraisers have first attempted to reach an agreement on the amount of the loss. Each party must provide immediate notice to the other party of any request or motion to a court for appointment of an umpire and any hearing on that issue.

A judge's selection of an umpire at the request of one party without notice to the other party as described above shall invalidate that selection and require selection of a new umpire either by agreement of the appraisers or by another judicial selection as required herein.

Stating separately the items and amounts of loss for each item, and in accordance with your policy's loss settlement provisions, the appraisers shall determine the amount of loss from the occurrence claimed by you. Both you and we and each of our representatives shall cooperate with the appraisal process, allow the appraisers and umpire reasonable and timely access to inspect the damaged property,

and make reasonable efforts to allow completion of the appraisal process in a timely manner.

If the appraisers fail to reach agreement on the amounts, the appraisers shall submit their differences, only, to the umpire. An appraisal decision in writing, so itemized, of any two of these three, when received by us shall set the amount of loss.

Each party will pay its own appraiser and bear the other expenses of the appraisal and umpire equally.

This appraisal shall be binding on you and us concerning only the amount of loss. You will retain your right to bring suit against us following the appraisal award, subject to Texas law and compliance with the Suit Against Us provisions of the policy as modified by this Endorsement. We will retain our right to deny all or part of your claim and to dispute liability for any portion of the appraisal award based on lack of coverage or violation of the terms or conditions of the policy.

SECTION I – CONDITIONS, Paragraph 11. **Suit Against Us** is deleted in its entirety and replaced with the following:

11. **Filing A Claim And Suit Against Us**

- a. **Filing A Claim.** You may file a claim with us not later than one year after the date of the loss that is the subject of the claim. However, if you can show good cause for not filing the claim within the above timeframe, you may file the claim after the first anniversary date of the loss.
- b. **Suit Against Us.** Appraisal is a condition precedent to suit against us only if you and we fail to agree on the amount of loss from an occurrence claimed by you. Suit Against Us provisions of the policy apply as modified by this Endorsement. Before you file or proceed with suit or action against us under this policy concerning the amount of loss payment from an occurrence claimed by you:

- (1) You must provide written notice of your dispute to us and make a written demand for appraisal of the amount of loss: and
- (2) The appraisal process must be completed and a determination of the amount of loss made as described in **SECTION I – CONDITIONS**, paragraph 7. **Appraisal** as modified by this Endorsement.

This condition precedent cannot be waived absent a written agreement signed by you and us specifically and unequivocally waiving this condition.

The policy's Suit Against limitation provisions as modified by this endorsement shall be suspended from the date of the first written demand for appraisal until the date of the appraisal award.

No action can be brought against us unless there has been full compliance with all of the terms under **SECTION I** of this policy and the action is started by the earliest of the following dates:

- (1) two years from the date we accept or reject the claim; or
- (2) three years from the date of the loss that is the subject of the claim.

All other provisions of the policy apply.