POLICYHOLDER DISCLOSURE NOTICE

(Capped *Residence* Special Loss Settlement Endorsement)

Your current policy includes an important coverage change. Please review this important notice and retain it with ***your*** insurance policy.

This disclosure notice is not a contract of insurance. It is intended to provide information on form ML-24A (3/96), which is now a part of ***your*** policy. It is recommended that ***you*** review ***your*** policy carefully to determine ***your*** duties, rights and obligations. This information is intended to assist ***you*** in the review of ***your*** prior and current policy. If there are conflicts between this Disclosure Notice and ***your*** policy, the provisions of the policy shall prevail.

In the event of a covered loss, the addition of form ML-24A (3/96) allows the company to fix their maximum liability for the replacement cost of the ***residence***, or any part of it, at 125% of the Coverage A amount of insurance. Although this endorsement may restrict the amount of potential recovery in those rare severe loss circumstances, it does enable ***your*** company to better serve ***our*** joint interests by making losses subject to a finite dollar amount.