

## REPLACEMENT OF PERSONAL PROPERTY

(Use with Forms HO-A, HO-B and HO-CON-B)

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

### SECTION I – PROPERTY COVERAGE

For an additional premium, our limit of liability and payment for covered loss to:

1. personal property; and
2. wall-to-wall carpeting and cloth awning (Forms HO-B and HO-C only);

Is extended to include Replacement Cost. Replacement Cost means there will not be a deduction for depreciation. Payment will not exceed the smallest of the following:

- a. The Coverage B (Personal Property) limit of liability;
- b. the replacement cost at the time of loss;
- c. for property that is repairable, the cost of repair with material of like kind and quality with no deduction for depreciation; or
- d. the interest of the **insured**.

#### **We do not pay replacement cost for:**

- a. property which cannot be replaced.
- b. property not maintained in good or workable condition.
- c. property that is either obsolete or useless to the **insured** at the time of loss.
- d. watercraft including outboard motors for any replacement cost in excess of \$2,500.

We will pay replacement cost of watercraft including outboard motors up to a limit of \$2,500.

- e. **property that is not repaired or replaced.**

#### **Loss Settlement:**

- a. We will pay you:
  1. the replacement cost of your damaged property up to \$1,500; and
  2. the actual cash value of your remaining damaged property

Within 5 business days after we notify you that we will pay the claim.

If you repair or replace the damaged property, you may make claim for reimbursement on a replacement cost basis for the replacement cost of your property exceeding \$1,500. You must repair, restore or replace the property within 365 days after the loss. Reimbursement will be made within 5 business days after we receive proof that the property has been repaired, restored or replaced.

- b. In lieu of (a.) above, we may offer and you may accept or reject our offer to provide a replacement item of like kind and quality for your damaged property.

**ENDORSEMENT NO. HO-101**  
**Effective October 2, 1993**