

## REPLACEMENT OF PERSONAL PROPERTY

s1943

TEXAS  
1st Edition

### SECTION I - PROPERTY COVERAGE

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

1. personal property; and
2. wall-to-wall carpeting and cloth awnings;

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; or
- 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.

This endorsement is part of your policy. It supersedes and controls anything to the contrary. It is otherwise subject to all other terms of the policy.