

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

REPLACEMENT OF PERSONAL PROPERTY

COVERAGE B (PERSONAL PROPERTY)

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. 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.

All other provisions of the policy apply.