

COMPREHENSIVE PERSONAL EFFECTS COVERAGE REPLACEMENT COST VALUE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

DEFINITIONS

The following Definitions have been added:

Actual Cash Value means the cost to repair or replace property with new materials of like kind and quality, less allowance for physical deterioration and depreciation, including obsolescence.

Business means any full or part-time trade, profession or occupation engaged in for economic gain, including farming or ranching, or the rental or holding for rental, of any part of the premises.

Business does not mean incidental farming or ranching operations conducted on the premises unless the gross income from these operations is more than \$5,000 a year.

Replacement Cost means the cost to repair or replace property, without deduction for depreciation, with new property of like kind and quality.

Under **SECTION I – PROPERTY COVERAGES**

PHYSICAL DAMAGE TO INSURED PROPERTY

A. Property Covered.

3. **Personal Effects** is changed to read:

3. **Personal Effects**

The Company insures **Personal Effects** the Named Insured owns or uses anywhere in the world. But the limit of liability for **Personal Effects** usually located at a home that the Named Insured owns or rents, other than the home on the Named Insured's premises, is 10% of the limit of liability for **Personal Effects** or \$1,000, whichever is greater.

While moving into a home for a 30-day period, the Named Insured may apply the limit of liability for **Personal Effects** to the Named Insured's **Personal Effects** located in the Named Insured's new home. If the Named Insured requests it the company will insure **Personal Effects** owned by:

- a. Others while the property is on the part of the Named Insured's premises occupied by the Named Insured.
- b. A guest or a residence employee while the property is in any home occupied by the Named Insured.

But the Company does not insure:

- a. accounts, all notes including bank notes, bills, deeds, evidence of debt, letters of credit, and personal records;
- b. animals including birds and fish;
- c. aircraft or any aircraft parts;
- d. motor vehicles, motor vehicle parts, recreational motor vehicles, and all other motorized land conveyances. This includes:
 - (1) equipment and accessories; and
 - (2) any device or instrument for the transmitting, recording, receiving or reproduction of sound or pictures which may be operated by power from the electrical system of a motor vehicle, other motorized land conveyance, boat or aircraft, including:
 - i. accessories or antennas; and
 - ii. tapes, wires, discs or other media for use with any such device or instrument.

But the Company does insure vehicles or conveyances which are not subject to motor vehicle registration and which are:

- i. used solely for the maintenance or the mobile home and the premises immediately adjacent to the mobile home
- ii. designed for assisting the handicapped; or
- iii. golf carts.
- e. data stored on any media including data stored in:
 - i. paper records; or

- ii. electronic data processing tapes, discs or other software media.
 - f. property separately described and specifically insured elsewhere in this or any other insurance policy;
 - g. camper bodies or trailers;
 - h. property held as a sample or for sale or delivery after sale;
 - i. property of any tenant who is not related to a Named Insured;
 - j. property used in whole or in part for farming or ranching purposes.
- B. Perils Insured Against
2. **Personal Effects** is changed to read:
2. **Comprehensive Personal Effects Coverage**
- a. The Company will pay for direct sudden and accidental loss of or damage to the property described in sub-paragraph A.3., **Personal Effects**, occurring during the policy period.

Under **AMOUNT AND METHOD OF SETTLEMENT APPLYING TO SECTION I – PROPERTY COVERAGES**

A. Determining the Amount of Settlement – Limitations on Company Liability.

1.a. is replaced with the following:

- a. be no more than the lowest of:
 - (1) Replacement cost of the Named Insured's **Personal Effects**;
 - (2) The amount required to repair the Named Insured's **Personal Effects** at the time of loss
 - (3) The limit of liability shown on the Declarations that applies to the Named Insured's **Personal Effects**;
 - or
 - (4) Any applicable **Special Limits on Certain Personal Effects**.

This Replacement Cost Amount and Method of Settlement does not apply to:

- (1) Antiques, fine arts, paintings and similar articles of rarity or antiquity which cannot be replaced;
- (2) Memorabilia, souvenirs, trading cards, collectors' items and similar articles whose age or history contributes to their value;
- (3) Articles not maintained in good or workable condition; and
- (4) Articles that are outdated or obsolete and are stored or not being used.

Insured losses for the above listed items will be settled on an Actual Cash Value Amount and Method of Settlement.

If the **replacement cost** for the damaged property is more than \$2,500, the Company will pay no more than the **actual cash value** until the actual repair or replacement is completed.

Actual Cash Value Amount and Method of Settlement

The Named Insured may disregard the Replacement Cost Amount and Method of Settlement and make a claim on an Actual Cash Value Amount and Method of Settlement. If the Named Insured does, the Named Insured may make further claim within 180 days after the loss for any additional cost the Named Insured incurs in replacing the damaged property. If the Named Insured does elect to make a claim on an Actual Cash Value Amount and Method of Settlement, then the limit the Company pays the Named Insured for loss to the property will be the lowest of:

- a. The actual cash value of the Named Insured's **Personal Effects** at the time of the loss;
- b. The amount required to repair or replace the Named Insured's **Personal Effects**;
- c. The Limit of Liability shown on the Declarations for the Named Insured's **Personal Effects**; or
- d. Any applicable **Special Limits on Certain Personal Effects**.

2. is replaced with the following:

2. **Special Limits on Certain Personal Effects**

In addition to the foregoing general limitations, the Company will not be liable for loss in excess of the Special Limits applicable to the personal effects described. These Special Limits of Liability do not increase the total limit of liability provided by Comprehensive Personal Effects Coverage:

- a. \$250 for money, bullion, gold (other than goldware) and silver (other than silverware);
- b. \$250 for personal effects primarily used or intended for business purposes while away from the Named Insured's premises;
- c. \$2,500 for personal effects primarily used or intended for business purposes while on the Named Insured's premises;
- d. \$1,000 for securities, coin collections, stamps, deeds, manuscripts, passports, railroad and other tickets; This Special Limit of Liability includes all costs to research, restore or replace the information and the medium upon which it was recorded.
- e. \$1,000 for watercraft, including their trailers, furnishings, accessories, equipment and outboard motors and any parts of the motor while outside the mobile home;

- f.** \$1,000 for trailers, other than watercraft trailers;
- g.** \$1,000 for jewelry, furs, articles of gold and platinum, for the peril of theft; and
- h.** \$1,000 for firearms for the peril of theft.

All other provisions of this policy apply.