

Named Insured _____ Eff. Date _____

Insured Location _____

Loss Settlement

Actual Cash Value (ACV) or Replacement Cost Value (RCV) may be chosen as settlement options in the event of a loss.

Actual Cash Value

1. When the damage to property is economically repairable, actual cash value means the cost of repairing the damage, less reasonable deduction for wear and tear, deterioration and obsolescence.
2. When the loss or damage to property creates a total loss, actual cash value means the market value of property in a used condition equal to that of the destroyed property, if reasonably available on the used market.
3. Otherwise, actual cash value shall mean the market value of new, identical or nearly identical property, less reasonable deduction for wear and tear, deterioration and obsolescence.

Replacement Cost Value

1. When the damage to property is economically repairable, replacement cost value means the cost of repairing the damage, without reduction for wear and tear, deterioration and obsolescence.
2. When the loss or damage to property creates a total loss, replacement cost value shall mean the cost to replace the property with a new, identical, or nearly identical property without a reduction for wear and tear. Deterioration and obsolescence.

Building:

Replacement Cost Value (RCV) ☐

Actual Cash Value (ACV) ☐

Business Property:

Replacement Cost Value (RCV) ☐

Actual Cash Value (ACV) ☐

No Coverage ☐

I HAVE DISCUSSED THESE COVERAGES WITH MY AGENT AND FULLY UNDERSTAND THE COVERAGES I HAVE CHOSEN.

X _____

Date _____