

Optional Coverage

REPLACEMENT COST COVERAGE

Applicable to **dwelling**s, **farm barn**s, **building**s, **structure**s and **outbuilding**s:

1. This coverage applies only to items scheduled on the declarations and shown as having this form applicable. This coverage applies only to such covered items, including additions and built-in components and fixtures, covered under Coverage "A" or Coverage "G". This coverage does not apply to:
 - a. mobile homes whether or not on a permanent foundation;
 - b. domestic appliances;
 - c. detachable building items including awnings and window air-conditioners;
 - d. outdoor structures which are not permanent components or fixtures of the **dwelling**s, **farm barn**s, **building**s, **structure**s or **outbuilding**s. These include (but are not limited to) swimming pools, fences, paved areas, submersible pumps and sump pumps;
 - e. outdoor antennas, satellite dishes, their lead-in wiring, accessories and towers;
 - f. ventilating curtains made of any flexible or collapsible material;
 - g. asphalt or wood roofing material 15 or more years old or metal roofing material 25 or more years old;
 - h. roofing materials when there are one or more layers of shingles beneath the existing layer of roofing material.
2. If the limit of insurance on the damaged item is less than 80 percent of its replacement cost at the time of loss, **we** pay the larger of the following (in excess of the deductible):
 - a. **actual cash value** of the damaged part of the item; or
 - b. that proportion of the replacement cost of the damaged part which **our** limit of insurance on the building bears to 80 percent of the full current replacement cost of the covered item.
3. If the limit of insurance on the damaged item is at least 80 percent of its replacement cost at the time of loss, **we** pay the full cost of repair or replacement of the damaged part without deduction for depreciation.

We pay the smallest of the following amounts:

 - a. the limit of insurance applicable to the covered item;
 - b. the cost (in excess of the deductible) to repair or replace the damage on the same premises using materials or installed equipment of equivalent kind and quality to the extent practicable; or
 - c. the amount (in excess of the deductible) actually and necessarily spent to replace or repair the damage.
4. When the cost to repair or replace exceeds the lesser of \$1000 or 5 percent of the applicable limit of insurance on the damaged property, **we** are not liable for more than the **actual cash value** of the loss until actual repair or replacement is completed.
5. **You** may make a claim for the **actual cash value** of the loss before repairs are made or replacement is completed. Repairs must be made or replacement must be completed within 180 days after the loss. A claim for any additional amount payable under this provision must be made within 180 days after the loss.