



CAPACITY
BY JOE FLOOD
INSURANCE

ENDORSEMENT

REPLACEMENT COST LOSS SETTLEMENT ENDORSEMENT

It is hereby understood and agreed that Loss Settlement contained within the policy to which this Endorsement attaches is deleted and replaced by the following :

Loss Settlement

- a. We will pay to repair or replace the damaged or destroyed property without deduction for depreciation, but not more than the least of the following amounts:
 - 1) The applicable limit of liability shown on your **Declarations Page**;
 - 2) The replacement cost of that part of the property damaged, with materials of like kind and quality, and for like use; or
 - 3) The necessary amount actually spent to repair or replace the damaged part of the property for like use.
- b. If the **building** is rebuilt at a new location, the cost described above is limited to the cost that would have been incurred if the **building** had been rebuilt at its former location.
- c. When the full cost of repair or replacement is more than USD1,000 or more than 5 percent of the whole amount of insurance that applies to the property, we will not be liable for any loss unless and until actual repair or replacement is completed.
- d. You may disregard the replacement cost conditions above and make claim under this policy on an actual cash value basis. You may then make a claim for any additional liability according to the provisions of the policy.

All other terms and conditions remain unaltered.