

LOUDOUN MUTUAL INSURANCE COMPANY

REPAIR COST TERMS

This endorsement changes the Buildings FO 6 coverages provided by “your” primary coverage form.

PLEASE READ IT CAREFULLY.

**Repair Cost Terms
Farm Barns, Buildings, and Structures**

This endorsement applies to buildings covered under Coverage E and so designated in the Declarations.

With respect to Coverage E, the Actual Cash Value provision of the Farm Coverage are replaced by the following:

1. This provision applies only to barns, buildings and structures designated in the Declarations, including additions and built-in components and fixtures, covered under Coverage E – Farm Barns, Buildings, and Structures.
2. Subject to the “terms” of How Much We Pay for Loss or Claim, “we” settle losses according to the following:
 - a. If “you” repair or replace the damaged property for the same use and on the same or a contiguous site, “we” will pay the amount actually and necessarily spent to repair or replace such property to a condition and appearance similar to that which existed at the time of the loss. Such repair or replacement will be made with commonly used, structurally, and practically equivalent materials that are readily available in the local area.
 - b. If “you” decide not to repair or replace under paragraph 2.a. above, settlement will be made according to Actual Cash Value Terms. This means there may be a deduction for depreciation.

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