

## REPLACEMENT COST TERMS FARM BARN, BUILDINGS AND STRUCTURES

(If this coverage applies, required information will be shown on the "declarations".)

This endorsement applies to buildings covered under Coverage E and indicated on the "declarations" as having this coverage apply.

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

1. This provision applies only to the barns, buildings, and structures shown on the "declarations" that indicate replacement cost terms apply, including additions and built-in components and fixtures, covered under Coverage E -- Farm Barns, Buildings, and Structures.

This provision does not apply to:

- a. domestic appliances;
  - b. detachable building items, including screens, awnings, storm doors and windows, and window air conditioners;
  - c. outdoor structures (other than buildings) which are not permanent components or fixtures of a building. These include (but are not limited to) swimming pools, waste holding facilities, slurry systems, fences, paved areas, submersible pumps, well pumps, private power and light poles and sump pumps;
  - d. In-floor heating or cooling systems or coils; or
  - e. Curtains, tarps, plastics or similar coverings used for the ventilation of the building.
  - f. Pipes or tubing located below the surface of the ground
2. Subject to the "terms" of How Much We Pay for Loss or Claim, "we" settle losses according to the following;

- a. If the "limit" on the damaged building is less than 80% of its replacement cost at the time of loss, the larger of the following amounts is used in applying the "terms" under Our Limit:

- 1) actual cash value of the damaged part of the building; or
- 2) that proportion of the replacement cost of the damaged part which "our" "limit" on the building bears to 80% of the full current replacement cost of the building.

- b. If the "limit" on the damaged building is at least 80% of its replacement cost at the time of loss, the smaller of the following amounts is used in applying the "terms" under Our Limit:

- 1) the cost to repair or replace the damage on the same premises using materials of like kind and quality, to the extent practical; or
- 2) the amount spent to repair or replace the damage.
3. When the cost to repair or replace exceeds the lesser of \$2,500 or 5% of the applicable "limit" on the damaged building, "we" do not pay for more than the actual cash value of the loss until actual repair or replacement is completed.

- c. Repair or replacement will be made with commonly used, structurally, and practically equivalent materials that are readily available in the local area.

3. "You" may make a claim for the actual cash value amount of the loss before repairs are made. A claim for any additional amount payable under these "terms" must be made within six months after the loss.