



DWELLING FIRE LOSS SETTLEMENT OPTIONS

Foremost Provides Choices:

No customer or risk is exactly alike, so it is important to be able to provide your customers with choices when it comes to loss settlement options. Depending on the policy type and risk characteristics, Foremost may offer the following loss settlement options:

TOTAL LOSS SETTLEMENT OPTIONS:

If the customer suffers an insured **total** loss to their dwelling, the settlement will be the Amount of Insurance listed on the Declarations Page for Coverage A – Dwelling (less any applicable deductible).



Agreed
Loss Settlement



Extended
Replacement Cost
Loss Settlement

If the customer suffers an insured **total** loss, this coverage will extend up to an additional 25% of the Amount of Insurance for Coverage A towards the replacement of the dwelling if rebuilt at the same location.

Give your customers the peace of mind that comes from knowing that if they suffer a covered total loss to their dwelling, their settlement will not be a depreciated amount determined by the insurance company.

PARTIAL LOSS SETTLEMENT OPTIONS:



Actual Cash Value (ACV)
Loss Settlement

If the customer suffers an insured **partial** loss to their dwelling, the settlement will be the cost to repair or replace insured property with materials available today of like kind and quality, less allowance for physical deterioration and depreciation, including obsolescence as permitted by state law.



Repair Cost
Loss Settlement

If the customer suffers an insured **partial** loss to their dwelling, the settlement will be the cost to repair or replace damaged building structures to a condition or appearance similar to that which existed at the time of loss, using conventional construction materials and methods that are currently available without extraordinary expense.



Replacement Cost
Loss Settlement

If the customer suffers an insured **partial** loss to their dwelling, the settlement will be the cost to repair or replace property, without deduction for depreciation with new property of like kind and quality using conventional material and construction methods which are available at the time of loss.





LOSS SETTLEMENT OPTIONS BY POLICY FORM

	UNENDORSED BASE POLICY		AVAILABLE ENDORSEMENT OPTIONS	
	Total Loss Settlement	Partial Loss Settlement	Total Loss Settlement	Partial Loss Settlement
Dwelling Fire One	Agreed Loss	ACV	None	None <small>*Replacement Cost is available for Vacant risks in some states</small>
Dwelling Fire Three	Agreed Loss	ACV	<ul style="list-style-type: none"> Extended Replacement Cost 	<ul style="list-style-type: none"> Replacement Cost Repair Cost

LOSS SETTLEMENT REQUIREMENTS

	Actual Cash Value Loss Settlement	Repair Cost Loss Settlement	Replacement Cost Loss Settlement	Extended Replacement Cost Loss Settlement
Condition Requirements	<p><u>Dwelling Fire One:</u> Intended for properties that are at least in marginal condition and are maintained.</p> <p><u>Dwelling Fire Three:</u> Intended for properties that are at least in average condition and well maintained.</p>	Condition of the dwelling must be at least in average condition and well maintained.	Condition of dwelling and premises must be at least above average.	Condition of dwelling and premises must be at least above average.
Insurance to Value Requirements	Must be insured to 100% of either current market value (less land) or actual cash value.	Must be insured to 100% of either current market value (less land) or actual cash value.	Must be insured to 100% of the replacement cost estimate.	Must be insured to 100% of the replacement cost estimate.

This document is a learning tool for agents and should not be displayed to or used during communications with customers.

Product availability is based on authority and not all products and discounts are available in every state.

This overview is not part of any policy and in the event of any difference between this overview and the policy, the policy will take precedence.

