

In the event of an insured total loss, the payment will be equal to the dwelling amount of insurance shown on the Declarations Page, minus any applicable deductible.

What customers need to know: Our base policy automatically includes an Agreed Loss Provision. Whether they insure their home to Replacement Cost or to Actual Cash Value (Market Value minus the value of the land), they know ahead of time what the settlement will be for an insured total loss to the home. But for illustration, let's look at examples of how Agreed Loss works on the same home, valued at \$300,000 Replacement Cost or \$150,000 ACV.

REPLACEMENT COST POLICY



Extended Replacement Cost policy with Agreed Loss Provision

- Total Loss: \$300,000, whether you rebuild or not.
- Extended Replacement Cost: If you choose to replace the home on the same premises, you get up to an additional 20% of the amount of insurance to replace the dwelling, if needed.
- Partial Loss: Settled at Replacement Cost, once the damage is replaced or repaired.

WHY DOES THIS MATTER?

There are a lot of reasons you may choose not to rebuild your home. Maybe you decide to downsize or purchase a smaller home. **Whatever you choose to do, your settlement will be for the full amount of insurance on your home, minus any applicable deductible.**

ACV POLICY with replacement cost on partial losses.



ACV policy with Agreed Loss Provision

- Total Loss: \$150,000. The settlement is the Amount of Insurance for Coverage A listed on the Declarations Page, even if your home is worth less than that at the time of loss.
- Partial Loss: Settled at Replacement Cost once the damage is replaced or repaired.

ISN'T IT NICE TO KNOW?

With Foremost[®], when you have a claim you don't need to haggle with your insurance company over the value of your home – **you know ahead of time what you'll receive in the event of an insured total loss.**