

# California Residential Property Insurance Disclosure

Policy Number \_\_\_\_\_

Name \_\_\_\_\_

Agent Number \_\_\_\_\_

This disclosure is required by California Law (Section 10102 of the Insurance Code). It describes the principal forms of insurance coverage in California for residential dwellings. It also identifies the form of dwelling coverage you have purchased or selected. This disclosure form contains only a general description of coverages and is not part of your residential property insurance policy. Only the specific provisions of your policy will determine whether a particular loss is covered and, if so, the amount payable. Regardless of which type of coverage you purchase, you policy may exclude or limit certain risks.

Read your policy carefully. If you do not understand any part of it or have questions about what it covers, contact your insurance agent or company. You may also call the California Department of Insurance consumer information line at (1-800-927-HELP or 1-800-927-4357)

## Forms Of Coverage For Dwellings (Dwelling Coverage selected or purchased)

**Guaranteed Replacement Cost Coverage With Full Building Code Upgrade Pays Replacement Cost Without Regard To Policy Limits, and includes costs resulting from code changes.**

In the event of any covered loss to your home, the insurance company will pay the full amount needed to repair or replace the damaged or destroyed dwelling with like or equivalent construction regardless of policy limits. **Your policy will specify whether you must actually repair or replace the damaged or destroyed dwelling in order to recover guaranteed replacement cost.** The amount of recovery will be reduced by any deductible you have agreed to pay.

This coverage includes all additional costs of repairing or replacing your damaged or destroyed dwelling to comply with any new building codes or zoning laws required by government agencies and in effect at the time of rebuilding.

To be eligible to recover full guaranteed replacement cost with building code upgrade, you must insure the dwelling to its full replacement cost at the time the policy is issued, with possible periodic increases in the amount of coverage to adjust for inflation and increases in building costs; you must permit inspections of the dwelling by the insurance company; and you must notify the insurance company about any alterations that increase the value of the insured dwelling by a certain amount (see your policy for that amount).

**Guaranteed Replacement Cost Coverage With Limited Or No Building Code Upgrade** pays replacement costs without regard to policy limits but limits or excludes costs resulting from code changes.

In the event of any covered loss to your home, the insurance company will pay the full amount needed to repair or replace the damaged or destroyed dwelling with like or equivalent construction **regardless of policy limits. Your policy will specify whether you must actually repair or replace the damaged or destroyed dwelling in order to recover guaranteed replacement cost.** The amount of recovery will be reduced by any deductible you have agreed to pay.

This coverage does **not** include all additional costs of repairing or replacing your damaged or destroyed dwelling to comply with any new building standards (such as building codes or zoning laws) required by government agencies and in effect at the time of rebuilding. Consult your policy for the applicable exclusions or limits with respect to these costs.

To be eligible to recover full guaranteed replacement cost with limited or no building code upgrade, you must insure the dwelling to its full replacement cost at the time the policy is issued, with possible periodic increases in the amount of coverage to adjust for inflation and increase in building costs; you must permit an inspection of the dwelling by the insurance company; and you must notify the insurance company about any alterations that increase the value of the insured dwelling by a certain amount (see your policy for that amount).

**Extended Replacement Cost Coverage** pays replacement costs .

This disclosure form does not explain the types of contents coverage (Furniture, Clothing, etc.) provided by your policy. Some policies do not replace contents with new items, but instead, only pay for the current market value of an item. If you have any questions, contact your insurer or agent.

up to a specified amount above the policy limit

In the event of any covered loss to your home, the insurance company will pay to repair or replace the damaged or destroyed dwelling with like or equivalent construction **up to a specified percentage over the policy's limits of liability.** See the declarations page of your policy for the limit that applies to your dwelling. **Your policy will specify whether you must actually repair or replace the damaged or destroyed dwelling in order to recover extended replacement costs.** The amount of recovery will be reduced by any deductible you have agreed to pay.

To be eligible to recover extended replacement cost coverage, you must insure the dwelling to its full replacement cost at the time the policy is issued, with possible periodic increases in the amount of coverage to adjust for inflation; you must permit an inspection of the dwelling by the insurance company; and you must notify the insurance company about any alterations that increase the value of the insured dwelling by a certain amount (see your policy for that amount). Your policy will specify whether or not you must actually repair or replace the damaged or destroyed dwelling in order to recover extended replacement cost. Read your declarations page to determine whether your policy includes coverage for building code upgrades.

**Replacement Cost Coverage** pays replacement costs up to policy limits.

In the event of any covered loss to your home, the insurance company will pay to repair or replace the damaged or destroyed dwelling with like or equivalent construction **up to the policy's limit of liability.** See the declarations page of your policy for the limit that applies to your dwelling. **Your policy will specify whether you must actually repair or replace the damaged or destroyed dwelling in order to recover replacement costs.** The amount of recovery will be reduced by any deductible you have agreed to pay. To be eligible to recover replacement cost, you must insure the dwelling to 80 percent of its replacement cost at the time of loss. Read you declarations page to determine whether your policy includes coverage for building code upgrades.

**Actual Cash Value Coverage** pays the fair market value of the dwelling at the time of loss, up to policy limit. In the event of any covered loss to your home, the insurance company will pay either the depreciated fair market value of the damaged or destroyed dwelling at the time of the loss or the cost of replacing or repairing the damaged or destroyed dwelling with like or equivalent construction **up to the policy limit.** The amount of recovery will be reduced by any deductible you have agreed to pay. Read your declarations page to determine whether your policy includes coverage for building code upgrades.

**Building Code Upgrade** - ordinance and law coverage pays, up to limits specified in your policy, additional costs required to bring the dwelling "up to code."

In the event of any covered loss, the insurance company will pay any additional costs, up to the stated limits, of repairing or replacing a damaged or destroyed dwelling to conform with any building standards such as building codes or zoning laws required by government agencies and in effect at the time of the loss or rebuilding (see your policy).