

Alabama Amendatory Endorsement

This endorsement modifies insurance provided by **your Renters Insurance Policy (Form DH 35 06)** as follows:

PROPERTY SECTION, 4. ALL SUBJECT TO THE FOLLOWING CONDITIONS, item b. (8) is deleted and replaced by the following:

b. LOSS NOT COVERED BY THIS INSURANCE

- (8) **We** do not provide coverage for any loss arising out of any act committed by or at the direction of an **insured** with the intent to cause a loss. However, if **you** commit an act with the intent to cause a loss, **we** will provide coverage to an innocent **insured** victim of domestic abuse, as defined in the "Domestic Abuse Insurance Protection Act", to the extent of that person's interest in the property when the damage is proximately related to and in furtherance of domestic abuse.

PROPERTY SECTION, 5. ALL SUBJECT TO THE FOLLOWING CONDITIONS, item b. (1) is deleted and replaced as follows:

b. BASIS OF LOSS PAYMENT

(1) **Your** Personal Property and Additions and Alterations

- a. If lost or damaged property is not repaired or replaced, payment shall be limited to the loss of actual cash value, not to exceed the cost to repair or replace with property of like kind and quality. Actual cash value is calculated as the amount it would cost to repair or replace covered property, at the time of loss or damage, with material of like kind and quality, subject to a deduction for depreciation.
- b. If loss or damaged property is repaired, or, when not economically repairable, replaced, payment shall be limited to the amount actually and reasonably expended to repair or replace with new property of like kind and quality.

The actual cash value of the lost or damaged property may be significantly less than its replacement cost.

You may first make claim for the loss of actual cash value. Within one (1) year from the payment of that loss, **you** may make claim for the additional loss payable by reason of (b) above.

When the lost or damaged property is part of a set or pair, **we** may:

- a. elect to repair or replace any part of such set or pair to restore the set or pair to its value before the loss or damage; or
- b. pay the difference between the actual cash value of the property before and after the loss or damage.

PROPERTY SECTION, 5. ALL SUBJECT TO THE FOLLOWING CONDITIONS, item h. is deleted and replaced by the following:

h. SUIT OR OTHER ACTION

No suit, arbitration, or other action on this policy for the recovery of any claim shall be sustainable in any court of law or equity or any other forum unless all the requirements of this policy have been complied with and the action is brought within the time limitations prescribed under Alabama law.

PROPERTY SECTION, 5. ALL SUBJECT TO THE FOLLOWING CONDITIONS, item d. is deleted and replaced with the following:

d. **OPTIONAL ARBITRATION**

After a dispute has arisen and **you** and **we** fail to agree as to the meaning or effect of any provision of this policy, the disagreement shall be resolved by binding arbitration in accordance with the statutory rules and procedures of the state in which the property is located. However, an arbitration will take place only if both **you** and **we** agree to the arbitration voluntarily.

Should an arbitration under the terms of this clause result in any of the following, **we** will reimburse **you** for expenses actually incurred by **you** with respect to the arbitration, including reasonable attorney's fees, in a sum to be determined by the arbitrator(s):

1. a finding of coverage for claimed loss or damage for which coverage is denied by **us**;
2. a finding that **you** are entitled to a loss payment in accordance with the express terms of this policy and exclusive of costs or attorney's fees in an amount that exceeds the amount of any offer made by **us** in writing to settle **your** claim at any time up to thirty (30) days prior to the commencement of the arbitration.