

LOSS SETTLEMENT (Pre-Existing Damage)

SECTION I - CONDITIONS

The following paragraphs are added to item 8.b. Loss Settlement:

We will reduce any amount payable for loss under Coverage A and B if:

1. The property was previously damaged prior to the effective date of this policy;
or
2. Payment was made for the previously damaged property but you did not have it repaired or replaced.

We will reduce the amount payable for loss to the damaged property by the amount of previous damage or the amount paid for the previous damage.

We will further reduce the amount payable for loss to other property by the amount of damage which arises out of or as a direct result of the previously damaged property.

All other provisions of the policy apply.

Accepted By:

Named Insured

Date