

ALBERTA STANDARD



Replacement Cost Endorsement

AB-S.E.F. No. 18

(01/2022)

AB-S.E.F. NO. 18
REPLACEMENT COST ENDORSEMENT

In consideration of the premium charged, as set out in the Policy or in the Certificate of Automobile Insurance, in the event of loss or damage to the automobile including total loss or constructive total loss of the automobile, for which indemnity is provided under Section A.1 Direct Compensation for Property Damage or Section C - Loss of or Damage to Insured Automobile of this Policy, the Insurer waives its rights under the Statutory Conditions 4(5) and (6), provided that:

- (a) The Insured is the original purchaser of the automobile exclusive of the dealer; and
- (b) the loss or damage occurs within months of the date on which the automobile was first delivered to the Insured.

The automobile will be considered a total loss or constructive total loss if damage to the automobile exceeds.....% of its actual cash value.

In the event of a total loss or constructive total loss of the automobile, the Insurer, as the basis of loss settlement, agrees to pay at its expense for the Insured to replace the automobile, its accessories and its equipment, including taxes with a new automobile having the same specifications, accessories and equipment, or if no such automobile is available, with a new automobile having similar specifications, accessories and equipment.

If the Insured does not agree to the automobile being replaced, the Insurer shall pay the Insured the lesser of the actual purchase price of the automobile, its accessories and its equipment, including taxes at the original date of purchase, or the manufacturer's suggested list price of the automobile, its accessories and its equipment, including taxes at the original date of purchase.

This endorsement does not apply with respect to betterment resulting from the repair or replacement of parts having prior unrepaired damage.

If more than one automobile is insured under this policy, this endorsement shall apply only to the automobile(s) described under item(s) number of the schedule of automobiles attached to and forming part of the policy or as listed in the Certificate of Automobile Insurance.

If this endorsement is designated with respect to more than one automobile in the schedule of automobiles attached to and forming part of the policy or as listed in the Certificate of Automobile Insurance, then the coverages provided by this endorsement shall be construed as if provided by separate policies of insurance with respect to each automobile to which the endorsement is applicable.

Except as otherwise provided in this endorsement, all limits, terms, conditions, provisions, definitions and exclusions of the policy shall have full force and effect.

(01/2022)

APPROVED FORM – ALBERTA SUPERINTENDENT OF INSURANCE