

TOTAL OR CONSTRUCTIVE TOTAL LOSS

It is hereby understood and agreed that in the event of a Total or Constructive Total Loss of any item of property insured during the Period of Insurance specified in the Schedule and the loss is paid by Underwriters then the total premium for that property shall be considered to be fully earned.

This Endorsement shall not apply where State Law or any Premium Finance Agreement would be violated or infringed.

Constructive Total Loss shall be defined as "loss where the cost of recovery and repair would exceed the Limit of Liability shown in the Schedule or the actual cash value (whichever is the lesser amount)".

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