

THE INSURANCE CODE OF 1956 (EXCERPT)
Act 218 of 1956

500.2826 Liability for difference between actual value of property and amount expended to repair, rebuild, or replace.

Sec. 2826.

An insurer may issue a fire insurance policy, insuring property, by which the insurer agrees to reimburse and indemnify the insured for the difference between the actual value of the insured property at the time any loss or damages occurs, and the amount actually expended to repair, rebuild, or replace with new materials of like size, kind, and quality, but not to exceed the amount of liability covered by the fire policy. A fire policy issued pursuant to this section may provide that there shall be no liability by the insurer to pay the amount specified in the policy unless the property damaged is actually repaired, rebuilt, or replaced at the same or another site.

History: 1956, Act 218, Eff. Jan. 1, 1957 ;— Am. 1990, Act 305, Imd. Eff. Dec. 14, 1990

Popular Name: Act 218