

56-7-801. Policy exceeding value of property

Every agent, within ninety (90) days after making or writing any contract of fire insurance on any building or structure in this state, shall cause the building or structure to be personally inspected; and no company, and no officer or agent of the company, and no insurance broker, shall knowingly issue, negotiate, continue or renew or cause to permit to be issued, negotiated, continued or renewed any fire insurance policy upon property or interests in the property within the state of an amount that, with any existing insurance on the property, exceeds the fair value of the property.

56-7-802. Total destruction of property

If buildings within the state insured against loss by fire are totally destroyed by fire, the company shall not be liable beyond the actual value of the insured property at the time of the loss or damage; and if it appears that the insured has paid premiums on an amount in excess of the actual value, the insured shall be reimbursed the proportionate excess or premiums paid on the difference between the amount named in the policy and the actual value, with interest at six percent (6%) per annum from the date of issue; and the excess of premiums, and interest on the premiums, shall be allowed the insured from the time any companies carrying the insurance at the time of the loss have continuously carried the insurance on the destroyed buildings, whether under policies existing at the time of the loss or under previous policies in the same companies.

§ 56-7-803. Losses occurring after agent's failure to inspect property

If the agent fails to place a reasonable value on any insured property within the ninety (90) days, as provided in § 56-7-801, and that is agreed to by the insured, and a loss occurs, in that event the value as shown by the policy or application shall be conclusively presumed to be reasonable, and settlement shall be made on that basis.