

# **Amado Trinidad v. Florida Peninsula Insurance Company**

Year: 2011

Court: Florida Supreme Court

Case Number: SC11-1643

A homeowner purchased an insurance policy that provided Replacement Cost Value (RCV) coverage on his dwelling. A policyholder reasonably expects that by paying an additional premium for this type of coverage, (which is superior to “actual cash value” (ACV) coverage), he or she will recover RCV in the event of a loss. Because contractors charge profit and overhead to repair/replace a dwelling, that charge is included in the RCV of an insured dwelling. O & P is part of replacement cost. Yet, after his home was destroyed by a fire, Mr. Amado’s insurance company deducted overhead and profit from his RCV payment. UP argued that allowing policy language be used to withhold Overhead and Profit (which is an indivisible and unquestionable element of the RCV) is misconstruing and misapplying both Florida Statute § 627.7011 and the related insurance policy provisions. The Replacement Cost Value of property is a whole dollar figure, not the sum of its parts.

UP’s brief was drafted pro bono by Adrian Neiman Arkin of the Miami firm, Mintz Truppman, P.A.