**ISSUINGCOMPANYP**

**CONTRACTOR’S EQUIPMENT POLICY DECLARATIONS**

**Broad Form**

|  |  |
| --- | --- |
| **POLICY NUMBER:** PolicyNumberP | **RENEWAL OF POLICY:** RenewalOfNumber |

|  |
| --- |
| Named Insured and Mailing Address (No., Street, Town or City, County, State, Zip Code) |
| InsuredName InsuredName2P |
| InsuredAddress1P InsuredAddress2P |
| InsuredCityP, InsuredStateP InsuredZip |
| Policy Period: From       to       at 12:01 A.M. Standard Time at your mailing address shown above. |

**PLEASE NOTE THAT THIS POLICY CONTAINS A 100% COINSURANCE CLAUSE**

**I. PREMIUM OPTIONS**

Annual  Reporting

|  |  |  |
| --- | --- | --- |
| Premium at Inception: | $ |  |
| Minimum Premium | $ |  |
| Foreign Terrorism Premium: | $ |  |
| Municipal Tax: | $ |  |
| Stamping Fee: | $ |  |
| Surcharge: | $ |  |
|  | $ |  |
|  | $ |  |

**Rates at Inception:**

**II. COVERAGE LIMITS:**

This is not a stated value policy. Each item, and its applicable coverage limit, is set forth in the attached schedule, and any additional endorsements which are attached to this policy. Applicable coverage is subject to all of the terms and conditions of the policy.

Any One Occurrence Limit: All coverage limits are subject to a maximum limit of $       for any one occurrence, regardless of the number of losses or locations.

|  |
| --- |
| **Producer Number, Name and Mailing Address** |
| AgentCode |
| AgentName1 AgentName2 |
| AgentAddress1 AgentAddress2 |
| AgentCity, AgentState AgentZipCode |

**III. OPTIONAL COVERAGE EXTENSIONS:**

The following extensions of coverage are provided only if marked with an X, and premium is paid for the coverage extension. The coverage extension is subject to the deductibles noted below and the amount recoverable is limited as set forth in the policy form.

EMPLOYEE’S TOOLS

WATERBORNE COVERAGE

BOOM COVERAGE

WEIGHT LOAD COVERAGE

RENTAL REIMBURSEMENT

**EQUIPMENT** LEASED OR RENTED TO OTHERS

ADDITIONALLY ACQUIRED PROPERTY

**EQUIPMENT** LEASED OR RENTED FROM OTHERS

**IV. DEDUCTIBLE(S) PER OCCURRENCE: This policy contains various deductibles. Each deductible is per occurrence. Your deductibles are as follows:**

1. $       Loss caused, by fire.

B. $       Loss caused, in whole or in part, by theft, malicious mischief or vandalism.

C. $       Loss to miscellaneous tools if scheduled on the policy, when not caused in whole or in part, by the causes set forth in A or B.

D. $       Loss under the Waterborne Coverage Extension when not caused in whole or in part, by the causes set forth in A or B.

E. $       Loss under the Boom Coverage Extension when not caused in whole or in part, by the causes set forth in A or B.

F. $       Loss under the Weight Load Coverage Extension when not caused in whole or in part, by the causes set forth in A or B.

G. $       Any other loss      .

|  |
| --- |
| **ENDORSEMENTS** |
| Forms and Endorsements applying to this Coverage Part and made part of this policy at time of issue: |
| See Forms Schedule MDIL 1001 |

|  |
| --- |
| **These Declarations, together with the Application and Coverage Form(s) and any Endorsement(s), complete the above numbered policy** |

**IssuingCompanyP\_1**



**CONTRACTORS EQUIPMENT BROAD FORM**xxxxxxxxxx

**TERMS IN BOLD HAVE BEEN DEFINED IN THIS POLICY. PLEASE REVIEW ALL DEFINITIONS AS THEY AFFECT THE COVERAGE PROVIDED BY THIS POLICY.**

**I. INSURING CLAUSE**

**We** will pay for **loss** to **Covered Property** from any one **occurrence** caused by a **Covered Cause of Loss,** during the coverage period**.**

**II.** **COVERED PROPERTY**

**A.** This policy covers the property scheduled on the Supplemental Schedule, with endorsements, in effect on the date of **loss** including accessories, and spare parts, while located within the 48 Contiguous United States, Hawaii, the District of Columbia and the provinces of Canada.

**1. Covered Property** will not include plans, blueprints, designs and specifications, aircraft or watercraft, automobiles, motor trucks or conveyances designed for highway use unless individually scheduled on the supplemental schedule or endorsements**.**

**2. Covered Property** will not include any other business or personal property in or on the **Covered Property.**

**3.** Property otherwise covered under this policy will not be covered while the property is:

**a.** Waterborne or on a waterborne conveyance unless the **loss** is caused by fire.

**b.** Either fully or partially underwater.

**c.** Either fully or partially underground.

**4.** Property otherwise covered under this policy will not be covered while it is leased or rented to others under a written or oral agreement to lease or rent**.**

**III. COVERED CAUSE OF LOSS**

**Loss** caused by any external cause, except as otherwise excluded in paragraph V

**IV. EXTENSION OF COVERAGE**

In consideration of the premium charged, and subject to all terms, limitations, deductibles, conditions and exclusions of this policy, the following extensions of coverage are provided only if marked on the Declarations Page for the applicable extension of coverage, and premium paid for that coverage extension.

**A.** EMPLOYEE’S TOOLS

**Covered Property** shall include **your** employee’s tools while located at a job site and while in transit directly to or from the job site. This coverage extension shall be limited to no more than $       for any one item not to exceed $       for any **occurrence.**

**B.** WATERBORNE COVERAGE

Paragraph II.A(3)(a), excluding **covered property** while waterborne, is deleted.

This coverage extension shall be limited to no more than $       for any one item not to exceed $       for any **occurrence.**

**C. EQUIPMENT** LEASED OR RENTED FROM OTHERS

Covered Property shall include **equipment** which is leased or rented to **you** under a written contract. It will not include vehicles licensed for road use, cranes, derricks, powered or non-powered hand tools. This coverage extension shall be limited to no more than $       for any one item not to exceed $       for any one **occurrence.**

**D. EQUIPMENT** LEASED OR RENTED TO OTHERS –

Covered Property shall include **equipment** which is leased or rented by **you** to othersunder a written contract. This coverage extension shall be limited to no more than $       for any one item not to exceed $       for any one **occurrence.**

**E.** BOOM COVERAGE

Perils Excluded V(P), excluding **loss** to any boom and/or derrick while being operated unless caused directly by fire, lightning, hail, windstorm, landslide, explosion, or collision with a piece of **equipment,** is deleted.

**F.** WEIGHT LOAD COVERAGE

Perils Excluded V.(M), excluding **loss** when the loaded weight in or on the **Covered Property** exceeding the manufacturer’s registered capacity for the **Covered Property**, is deleted.

**G.** ADDITIONALLY ACQUIRED PROPERTY

**Covered Property** shall include property not otherwise excluded herein, for the first 30 days following **your** purchase of the property, provided that at the time of **loss** all of **your** owned or leased **equipment** is insured under this policy. **You** will be required to pay full premium on the property from the date acquired at pro rata of the current rate of the Company for such insurance. The limit under this extension shall not exceed the lesser of (1) $25,000 or (2) highest scheduled value for any piece of **covered property** already scheduled on the policy**.**  Coverage under this extension will terminate automatically after 30 days unless the property has been scheduled on the policy and premium paid.

**H.** RENTAL REIMBURSEMENT

**We** will pay the reasonable expenses **you** incur to rent substitute **equipment** of like kind and quality to continue **your** normal operations on work in progress when there is **loss** to **covered property** covered by this policy. This extension of coverage will not apply when **you** have suitable substitute **equipment** available for use.

This coverage extension will commence 48 hours after a **loss** to **covered property** and will terminate when the **covered property** has been replaced, restored to service or is no longer needed on the job in progress at the time of **loss**, whichever comes first. **You** will be required to use due diligence and dispatch to replace or repair the **covered property.**

The maximum coverage under this extension is $       for any one **occurrence,** not to exceed $       per day.

**V. PERILS EXCLUDED**

This policy does not insure against **loss** which is caused by, or arises in or from any of the following, whether or not there are any other contributing causes which would otherwise be covered by this policy:

**A.** Wear and tear, inherent vice, latent defect, gradual deterioration, rust, corrosion, insects, vermin, dampness of atmosphere, humidity, freezing or extremes of temperature, mechanical breakdown;

**B.** Delay, loss of market, loss of market value, loss of use, interruption of business, any consequential **loss** beyond the direct physical **loss** to the **covered property**;

**C.** Criminal acts, Infidelity or dishonesty by **you, your** authorized representatives or any person or persons in **your** employ or service, or their agents, whether or not such act or acts occurred during the regular hours of employment or service, or any person or persons to whom **you** or **your** authorized representatives,including employees and servants, entrusts the **covered property**. This exclusion shall not apply to a carrier for hire;

**D.** Earthquake, volcanic eruption, landslide, or other earth movement;

**E.** Strikes, lockouts, labor disturbances, riots, civil commotions or the acts of any person or persons taking part in any such occurrence or disorder;

**F.** Water damage caused by, contributed to or aggravated by any of the following:

**1.** Flood, surface water, rising waters, waves, tides or tidal waves, storm surge, overflow of any body of water or their spray, all whether driven by rain or not;

**2.** Mudslide or mudflow

**3.** Water which backs up from any sewer or drain; or Water that seeps, leaks or flows from below the surface of the ground**;**

**G.** Hostile or warlike action in time of peace or war, including action in hindering, combating or defending against an actual, impending or expected attack:

**1.** by any government or sovereign power (de jure or de facto), or by any authority maintaining or using military, naval or air forces; or

**2.** by military, naval or air forces; or

**3.** by an agent of any such government, power, authority or forces

**H.** Use ofany weapon of war employing atomic fission or radioactive force whether in time of peace or war;

**I.** Insurrection, rebellion, revolution, civil war, usurped power, or action taken by governmental authority in hindering, combating or defending against such an occurrence, seizure or destruction under quarantine or customs regulation, confiscation by order of any government or public authority, or risks of contraband or illegal transportation or trade;

**J.** Nuclear reaction or nuclear radiation or radioactive contamination, all whether controlled or uncontrolled, and whether such **loss** be direct or indirect, proximate or remote, or be in whole or in part caused by, contributed to, or aggravated by the peril(s) insured against in this policy; however, subject to the foregoing and all provisions of this policy, direct **loss** by fire resulting from nuclear reaction or nuclear radiation or radioactive contamination is insured against by this policy.

**K.** Mechanical breakdown or **loss** arising from electrical injury or disturbance to electrical appliances or devices (including wiring) caused by electrical currents artificially generated unless fire ensues, in which case we will pay only for the ensuing **loss**

**L.** Unexplained loss, mysterious disappearance or any **loss** where there is no physical explanation of what happened to the **covered property**, or shortage disclosed upon taking regular and systematic inventory;

**M.** The loaded weight in or on the **Covered Property** exceeding the manufacturer’s registered capacity for the **Covered Property;**

**N.** **Loss** or damage to tires and tubes unless caused by fire, windstorm or theft or unless such loss or damage is coincident with other loss or damage insured by this policy.

**O.** Breakage, marring or scratching of tubes, bulbs, lamps or articles made principally of glass unless caused by fire, lightning, hail, windstorm, landslide, explosion, or collision with a piece of **equipment.**

**P.** **Loss** to any boom and/or derrick while being operated unless caused directly by fire, lightning, hail, windstorm, landslide, explosion, or collision with a piece of **equipment**.

**Q.** Release or discharge or dispersal of toxic or hazardous substances, contaminants or pollutants, including the cost to remove, dispose, decontaminate or replace **covered property** which has been or may be contaminated by toxic or hazardous substances, contaminants or pollutants, whether or not required by law or civil authority to be restored, disposed of or decontaminated.

**R.** Organic pathogen, meaning any organic irritant or contaminant, including but not limited to fungus, bacteria, virus, or other microorganism of any type including but not limited to their byproducts such as spores or mycotoxin, or any hazardous substances as classified by the EPA.

**S. Loss** to the tires or tubes of **Covered Property** caused by theft, vandalism or malicious mischief.

**VI. VALUATION**

The value of **Covered Property,** subject to the coinsurance condition**,** will be the least of the following:

**A.** Actual Cash Value

**B.** The cost of reasonably restoring the **Covered Property** to its condition immediately before the **loss**, not including diminished value.

**C.** **Your** cost to replace the **Covered Property** with substantially identical property.

**D. Th**e amount set forth for the **Covered Property** on the current policy schedule received by the Company before the date of **loss.**

**VII. Deductible.** Each claim resulting from any one **occurrence** shall be adjusted separately and from each adjusted claim or the applicable limit, whichever is less, the sum stated under Deductible Amount shown in Paragraph IV of Declarations shall be deducted.  **We** shall have no obligations under this form until the claim exceeds the deductible.

**VIII. SPECIAL CONDITIONS**

**In addition to the conditions set forth in the Inland Marine Conditions form, the following additional conditions apply to this policy form.**

1. **Claims Against Others**. **You** must promptly make claim in writing against any other party which had custody of the **Covered Property** at the time of **loss.**
2. **Released Values –** In consideration of the premium paid herein **you** are authorized to accept, prior to shipment, bills of lading with released valuation
3. **100% Coinsurance**. **We** shall not be liable under this policy for **loss** to **covered property** for a greater percentage of the **loss** than the respective limit(s) applicable under this policy bears to the total value of the specific **covered property** whether or not it is damaged or lost.
4. **Warranty of Sound Condition. You** warrant that the **covered property** is in sound operating condition at the time that this policy attaches. If the **covered property** is not in sound operating condition, this coverage will not attach, even if the **covered property** is scheduled herein.

**IX. DEFINITIONS**

1. **“Equipment**” means property regularly used in your business to perform your services.
2. “**Covered Property**” means the property as defined in Paragraph II
3. “**You**” and “**Your**” and “**Insured**” mean the person or organization shown as the named insured in the Declarations.
4. “**We**” “**Us**” and “**Our”** mean the company providing the insurance which is identified on the declarations page.
5. “**Loss**” means direct and accidental physical damage or loss.
6. **“Occurrence**” means **loss** which is attributable, directly or indirectly, to one cause or to one series of similar causes, or continuous or repeated exposure to substantially the same general harmful conditions.