



250 East Broad Street, 7th Floor
Columbus, Ohio 43215
(800) 628-8581

Equipment Physical Damage Policy

READ YOUR POLICY CAREFULLY

SECTION I. INSURING AGREEMENTS

In return for the payment of premium, which shall be computed in accordance with **Our** rates and rules and subject to all of the terms and conditions of this policy, **We** agree with **You** as follows:

SECTION II. DEFINITIONS

The following words and phrases have special meaning throughout this policy and are printed in **Bold-Faced Type** when used:

1. **“Actual Cash Value”** means the retail value of the **Covered Property** of like kind and quality on the **Date of Loss**.
2. **“Betterment”** means the increase in value or improved condition of the **Covered Property** that results from replacing a covered part or component with a newer or better part or component when repairing the **Covered Property**.
3. **“Cancel”, “Cancelled”, and “Cancellation”** means the termination of coverage under this policy according to the terms and provisions of Section V, Condition 17.
4. **“Company”, “We”, “Us”, and “Our”** means Ohio Indemnity Company.
5. **“Coverage Limit”** means the maximum amount payable for each item of **Covered Property** shown on the Declarations page. This does not include taxes, fuel charges and delivery or set up fees.
6. **“Covered Property”** and **“Insured Property”** means any item identified as covered in Item 4 of the Declarations page of the following types:
 - A. **“Construction Equipment”** meaning any machine or equipment designed and used primarily for construction purposes and may include excavators, wheel loaders, track loaders and skid steer loaders.
 - B. **“Implements and Machinery”** means any non-self-propelled machine or equipment, used as implements and may include such equipment as balers, spreaders, bale wrappers, disc mowers, rotary tedders, rotary rakes and other equipment.
 - C. **“Mowers”** meaning any self-propelled machine or equipment designed and used for the purposes of mowing grass or fields.
 - D. **“Tractors”** meaning any self-propelled machine or equipment designed and used primarily for drawing or furnishing power to other implements that may be attached.
 - E. **“Utility Vehicles”** means any self-propelled general purpose, all-terrain, recreational, worksite or turf vehicle.
7. **“Date of Loss”** means the date on which the **Loss** occurred. If the **Loss** occurrence date cannot be determined, the **Date of Loss** shall then be the date **We** were notified of the **Loss**.
8. **“Loss”** means direct, sudden and accidental damage, unrecovered theft or **Vandalism** of the **Covered Property**.
9. **“Total Loss”** means an unrecovered theft or a **Loss** of such significance where the cost of repairing the damaged **Covered Property** would exceed its value after repair, or the repair is not advisable due to safety or other concerns as determined by **Us**.
10. **“Vandalism”** means willful or intentional damage to another’s property, including acts of malicious mischief and wanton, reckless or deliberate disregard of another’s property.
11. **“You”, “Your”, “Yours”, and “Insured”** means the named insured shown in Item 1 of the Declarations page.

SECTION III. COVERAGE PROVIDED

We provide coverage for **Loss** to the **Covered Property** except as excluded herein.

SECTION IV. EXCLUSIONS

We do not provide coverage:

1. For consequential or indirect **Loss**, loss of use or substitute property.

2. For any **Loss** resulting from failure to operate the **Covered Property** in accordance with the manufacturer recommended instructions, use of unapproved parts or alterations, wear and tear, gradual deterioration, inherent vice, latent defect, freezing, mechanical or electrical breakdown, improper or neglected maintenance.
3. For **Loss** resulting from contaminated, incorrect or inadequate fluids, regardless of the cause of **Loss**.
4. For **Loss** to tires, tracks or crawler treads in the event of blowouts, punctures or other road damage unless caused by other **Loss** covered by this policy.
5. For **Loss** caused by declared or undeclared war or insurrection or any of their consequences.
6. For **Loss** caused by the explosion of a nuclear weapon or its consequences.
7. For **Loss** caused by any nuclear reaction, nuclear radiation, or radioactive contamination.
8. For **Loss** while the **Covered Property** is used in illegal activities.
9. For **Loss** to equipment designed for the recording, reproduction, receiving or transmitting of sound or signals unless the device is permanently installed in the **Covered Property**.
10. For **Loss** to optional equipment available from the manufacturer of the **Covered Property**, unless such equipment is listed on the Declarations page.
11. For **Loss** due to conversion, secretion, or embezzlement by **You** or any other party, in lawful possession of the **Covered Property**.
12. For **Loss** which occurs prior to the effective date of the policy, after the expiration date of the policy, or after the **Cancellation** date of this policy.
13. For **Loss** to **Covered Property** that is used in any racing, speed, pulling, or other contest, or occurring on any track, facility or property designed for such contests.
14. For **Loss** if the **Covered Property** is assigned, transferred, rented or leased to another person or organization by **You**.
15. For **Loss** resulting from any repairing, remodeling or restoration process or from structural, mechanical or electrical breakdown or failure unless fire or other accident ensues, and then **We** will only cover the **Loss** or damage caused by such ensuing fire or accident.
16. For **Loss** due to confiscation of the **Covered Property** by the police, law enforcement officers, or any public authority.
17. For **Loss** resulting from forgery or use of an alias.
18. For **Loss** or damage to the **Covered Property** caused by or contributed to by the intentional act of **You**, or others acting on behalf of or at the direction of **You** where such acts are intended to cause or create a known risk of such damage.
19. For any **Covered Property** that is held for rental to a third party.

SECTION V. CONDITIONS

1. WHEN AND WHERE THIS POLICY APPLIES

We cover any **Loss**, not excluded in Section IV, which occurs:

- A. During the coverage period specified in Item 2 on the Declarations page, unless terminated earlier in accordance with the terms and conditions of this policy.
- B. While the **Covered Property** is in the United States of America, its territories, possessions, Puerto Rico, or Canada, or while the **Covered Property** is being transported between any of these places.
- C. It is understood and agreed that in the event of **Loss**, **You** must transport the **Covered Property** to a point inside the United States where adjustment can be made.

2. LIMITATION OF TRANSFER OR RENEWABILITY

- A. Coverage provided under this policy is not transferable to any other property.
- B. Nonrenewal:
 - (1) **We** may elect not to renew this policy.
 - (2) **We** may do so by mailing written notice to **You** at **Your** last known mailing address, at least 30 days before the expiration of this policy. Proof of mailing will be sufficient proof of notice.

3. CONDITIONS PRECEDENT TO LIABILITY

There will be no attachment of liability on **Our** part unless:

- A. A police report was filed by **You** if **Loss** was caused by theft or **Vandalism**;
- B. **We** inspect and appraise the damaged **Covered Property** before its repair or disposal;
- C. **You** have notified **Us** of the **Loss** within a reasonable length of time not to exceed sixty (60) days after the **Date of Loss**;
- D. The **Covered Property** covered under this policy is specifically identified in Item 4 of the Declarations page.
- E. The premium for this Policy has been paid.

4. LIMIT OF LIABILITY-SETTLEMENT OPTIONS

- A. **Our** liability to **You** for **Loss** shall be determined by **Us** using one of the following methods, after deduction of any compensation for the **Loss** paid to **You** by a third party and less the deductible shown on the DECLARATIONS:
- (1) If it is not a **Total Loss**, **We** will pay the cost to repair the damaged **Covered Property**, less **Betterment**.
 - (2) If it is a **Total Loss**, **We** will pay the lesser of the following amounts minus the salvage value if retained by **You**:
 - (a) The **Actual Cash Value** of the **Covered Property**.
 - (b) The **Coverage Limit** per item listed on the DECLARATIONS Page for any one item, or the Aggregate Limit Per Occurrence for all items listed on the DECLARATIONS Page for a single **Loss** occurrence involving two or more items.
- B. At **Our** option **We** may pay for the **Loss** in money or may repair or replace the damaged or stolen **Covered Property**. **We** may take all or part of the **Covered Property** at the agreed or appraised value; however, the **Covered Property** may not be abandoned to **Us**.
- C. If there is damage to the **Covered Property** caused by more than one **Loss** occurrence, each **Loss** shall be adjusted separately, and any applicable deductible amount shall be applied separately to each **Loss**.
- D. **Our** limit of Liability for Loss shall not be reduced by any payments **We** make for Transportation Costs and Recovery Expenses. The most **We** will pay for Transportation Costs and Recovery Expenses is the limit shown on the Declarations page for these coverages.

5. DUTIES IN THE EVENT OF LOSS

In the event of **Loss** to **Covered Property**, **You** must:

- A. Promptly notify **Our** Administrator or **Us** of the **Loss**. Such notice must be no later than sixty (60) days after the **Date of Loss**.
- B. Provide details as to how, when and where the **Loss** occurred.
- C. Provide a copy of the police report if the **Loss** is caused by theft or **Vandalism**.
- D. Cooperate with **Us** in the investigation, settlement or the conduct of any suit. **You** will not make settlement with others for **Loss** to any **Covered Property**. **You** will not, except at **Your** own cost, voluntarily make any payment, assume any obligation or incur any expense.
- E. Permit **Us** to inspect and appraise the damaged **Covered Property** before its repair or disposition. In the event of a covered **Loss** to the **Covered Property**, **We** will pay for reasonable costs incurred by **You**, not to exceed the Transportation Cost or Recovery Expense limits shown on the Declarations, to transport, or recover the damaged **Covered Property** to the nearest authorized repair facility, including related towing and storage charges, or expenses incurred by **You** for retrieving, removing or extracting the **Covered Property**. However, **We** will not pay for expenses incurred for transporting or recovery of the **Covered Property** outside of the United States.
- F. Take reasonable steps after **Loss** to protect the **Covered Property** from further **Loss**. If **You** do not protect the **Covered Property**, such additional **Loss** will be deducted from **Our** payment to **You**.
- G. Not, except at **Your** expense, offer any reward, assume any other obligations or expense unless specifically authorized in writing by **Us**.
- H. Submit proof of **Loss** documentation in such form as **We** may require.

6. ACTION AGAINST US

There will be no payment for **Loss**, nor may **You** bring suit against **Us** until:

- A. There has been full compliance with all of the terms and conditions of this policy; and
- B. Thirty (30) days have passed since **You** complied with all items listed under Condition 5. DUTIES IN THE EVENT OF LOSS.
- C. Any suit or legal proceeding has been commenced within one (1) year from the time at which all conditions under this policy have been met.

7. DEDUCTIBLE

The deductible is stated in Item 3 of the Declarations page and shall apply to each occurrence.

8. OUR RIGHT TO RECOVER FROM OTHERS

If **We** make any payment for **Loss** under this policy, **We** are entitled to recover what **We** paid from other legally responsible parties. **You** must transfer to **Us** **Your** right of recovery against any other party. **You** must do everything necessary to secure these rights and must do nothing that will harm them. If **You** make separate settlement and release any person or organization responsible for **Loss**, **We** shall have the right to claim against **You** up to the amount paid by **Us**.

9. OTHER INSURANCE

You may have another policy subject to the same terms as this policy. If **You** do, **We** will pay **Our** share of the covered **Loss**. **Our** share is the proportion that the applicable limit under this policy bears to the limit of all policies covering on the same basis. There shall be no duplication of benefits nor stacking of coverages nor shall the benefits provided by other insurance be considered cumulative or operate to increase the limits of coverage as stated under Condition 4. LIMIT OF LIABILITY-SETTLEMENT OPTIONS.

10. PAIR, SET OR PARTS

In the event of **Loss** to a pair, set or parts, **We** will be liable as follows:

- A. For any **Covered Property** that is part of a pair or set, **We** will pay a reasonable and fair proportion of the total value of the pair or set. In no event will such **Loss** mean total **Loss** of the pair or set; and
- B. For any part of the **Covered Property** that consists of several parts when completed, **We** will only be liable for the **Actual Cash Value** of the part lost or damaged or to repair the lost or damaged part.

11. CHANGES

This policy contains all the agreements between **You** and **Us**. Its terms may not be changed or waived except by written endorsement issued by **Us**. If a change requires a premium adjustment, **We** shall adjust the premiums as of the effective date of the change. If **We** revise this policy form to provide more coverage without additional premium charge, **Your** policy will automatically provide the additional coverage as of the revision date.

12. TRANSFER OF INTEREST IN THIS POLICY

Your rights and duties under this policy shall not be assigned without **Our** written consent. **You** must promptly notify **Us** of any change in ownership or any transfer of interest in any of the **Covered Property** covered by this policy.

13. NO BENEFIT TO BAILEE

We shall not recognize any assignment nor grant any coverage for the benefit of any person or organization holding, storing, or transporting **Covered Property** for a fee.

14. BANKRUPTCY

Bankruptcy or insolvency of **You** shall not relieve **Us** of any obligations under this policy.

15. CONCEALMENT, FRAUD, OR MISREPRESENTATION

We do not provide coverage for anyone who has intentionally, either before or after a **Loss**, concealed or misrepresented any material fact or circumstance relating to this insurance.

16. TERMS OF POLICY CONFORM TO STATUTE

Any terms of this policy which are in conflict with the statutes of the state where the policy is issued are hereby changed to conform to the minimum requirements of the statutes.

17. CANCELLATION OF THIS POLICY

You may **Cancel** this policy by mailing notice to **Us**, stating when thereafter such **Cancellation** shall be effective. **We** may **Cancel** this policy by providing **You** with written notice of such **Cancellation**, specifying an effective date for such **Cancellation** of at least thirty (30) days, or if **Cancellation** is based upon non-payment of premium, ten (10) days after the date set forth on such written notice. The mailing of notice shall be sufficient proof of notice of **Cancellation**, and the effective date of such **Cancellation** shall be set forth in such notice.

If a policy is **Cancelled** in accordance with this section, return premium will be calculated on a pro-rata basis.

18. WAIVER OR ESTOPPEL

No action, representation or other conduct by **Us** or **Our** Administrator shall be construed as a waiver or estoppel with respect to any of **Our** rights under this policy unless **We** expressly consent to such waiver or estoppel in writing.

19. APPRAISAL

If **You** do not agree with **Our** determination of the amount of **Loss**, **You** may, within sixty (60) days after proof of **Loss** is filed, demand an appraisal of the **Loss**. In that event, each party will select a competent appraiser. The appraisers will select a competent and disinterested umpire. The appraisers will state separately the **Actual Cash Value** and the amount of **Loss**. If they fail to agree, they will submit the dispute to the umpire. An award in writing of any two will determine the amount of **Loss**. Each party will each pay their chosen appraiser and will bear equally the other expenses of the appraisal and the umpire.

20. PRIVACY NOTICE

In compliance with Title V of the Gramm-Leach-Bliley Act and other laws relating to the privacy rights of individuals, **We** acknowledge that **We** have a responsibility to **Our** customers to keep their individual data records confidential and proprietary. **We** only collect information needed to issue and administer **Your** policy. Consistent with this obligation, **We** agree to:

- A. Restrict disclosure of **Your** information solely to **Our** employees, affiliates, Administrators, subcontractors and other representatives with a need to know such information for the purposes of the business relationship between **You** and **Us**; and
- B. Not disclose to any other person **Your** information without **Your** express written consent; and
- C. Use **Your** information solely for purposes of the services provided by **Us**.

21. DECLARATIONS ACKNOWLEDGEMENT

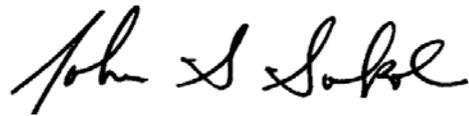
By acceptance of this policy **You** agree that:

- A. The statements in the Declarations page are **Your** representations and agreements; and
- B. This policy is issued in reliance upon **Your** representations and agreements; and
- C. This policy contains all agreements between **You** and **Us** or **Our** agent relating to this insurance.

In Witness whereof, the **We** have caused this policy to be signed by its President and the Secretary, but this policy shall not be valid unless the Declarations page is countersigned, when necessary, by a duly authorized representative of **Ours**.



Secretary



President