

**Extension of Coverage Endorsement
Amended Basis of Loss Payment
For use with
Contractor's Equipment Floater Policy - DH 00-25**

In consideration of the payment of premium and subject to all terms and conditions of the policy to which this endorsement is a part, **we** and **you** agree to the following.

Item 1. of the BASIS OF LOSS PAYMENT section of DH 00-25 is deleted and is replaced with the following:

1. **Your** Property

a. Other Than Tires and Tubes

- (1) If lost, damaged or totally destroyed property is not repaired or replaced, payment shall be limited to the loss of actual cash value at the time and place of the loss with due consideration for depreciation from all sources however caused, but payment will not exceed the smallest of the following:
- (a) the amount it would cost to repair the damaged property within a reasonable time after the damage; or
 - (b) the amount it would cost to replace lost or totally destroyed property, at the place of the loss and within a reasonable time after the loss, with property of like kind, quality, condition and use; or
 - (c) the amount of insurance applicable to the lost, damaged or totally destroyed property as shown in the Schedule of Equipment of the Limits Table made a part of the policy.

These provisions shall apply separately to each item shown in the Schedule of Equipment of the Limits Table made a part of the policy.

- (2) If lost, damaged or totally destroyed property is repaired or replaced payment shall be limited to the smallest of the following:
- (a) the amount actually and necessarily expended to repair the damaged property without deduction for depreciation; or
 - (b) the amount actually and necessarily expended to replace the lost or totally destroyed property with property of like kind, quality, condition and use; or
 - (c) the amount of insurance applicable to the lost, damaged or totally destroyed property as shown in the Schedule of Equipment of the Limits Table made a part of the policy.

These provisions shall apply separately to each item shown on the Schedule

of Equipment of the Limits Table made a part of the policy.

You may first make claim for the loss of actual cash value and, within one (1) year from the payment of that loss, make claim for any additional amount that has become payable by reason of (2) above.

b. Tires and Tubes

We will not pay more than the smallest of the following:

- (1) the actual cash value of the property lost, damaged or totally destroyed at the time and place of the loss with due consideration for depreciation from all sources however caused; or
- (2) the amount it would cost to repair the damaged property within a reasonable time after the damage; or
- (3) the amount it would cost to replace the lost or totally destroyed property, at the place of the loss and within a reasonable time after the loss, with property of like kind, quality, condition and use.