CONTRACTORS' EQUIPMENT FORM
(Risks not otherwise excluded)

Refer to the Supplemental Declarations if information is not shown on this form.

The coverage under this endorsement is subject to the ***terms*** contained in the General Policy Provisions.

This endorsement forms a part of the policy identified below:

Policy No. _____.

Named Insured _____.

WHAT *WE* PAY FOR

We cover the described property against risk of direct physical loss from any external cause not otherwise excluded.

SCHEDULE

Description of Property	Manufacturer	Identifying Marks and Numbers	Limit of Insurance

DEDUCTIBLE

From each adjusted claim for loss or damage in a single ***occurrence***, ***we*** will deduct $ _____.

WHAT *WE* DO NOT PAY FOR

(a) loss or damage occasioned by the weight of a load exceeding the registered lifting or supporting capacity of any machine;
(b) loss or damage due to explosion of any steam boiler, steam piping or pressure vessel owned, used or operated by the ***insured***;
(c) loss or damage, EXCEPT by fire, while the insured property is being waterborne;
(d) loss or damage to property while located underground, in caissons or underwater;
(e) loss or damage to any property which has become a permanent part of any structure;
(f) loss or damage by electrical injury or disturbance to electrical appliances or devices of any kind (including wiring) caused by electrical currents artificially generated, unless fire or explosion (EXCEPT explosion otherwise excluded) ensues, and then only for direct loss or damage caused by such ensuing fire or explosion;
(g) loss or damage due and confined to wear and tear. freezing, overheating, mechanical breakdown, inherent vice, latent defect, gradual deterioration or depreciation, insects or vermin;
(h) infidelity of ***insured's*** employees or persons to whom the insured property is entrusted;
(i) unexplained loss, mysterious disappearance; nor loss or shortage disclosed upon taking inventory;
(j) loss or damage to plans, blueprints, designs and specifications, aircraft and watercraft, automobiles, motor trucks and conveyances designed for highway use;

(k) loss or damage to tires or tubes unless damaged by fire or stolen, or unless the loss be coincident with other loss covered by this policy;

(l) loss occasioned by the neglect of the ***insured*** to use all reasonable means to save and preserve the insured property from impending loss or damage and during and after the ***occurrence*** of a loss;

(m) loss by 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;

(n) loss or damage caused by or resulting from:

(1) hostile or warlike action in time of peace or war, including action in hindering, combating or defending against an actual, impending or expected attack:

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

(B) by military, naval or air forces; or

(C) by an agent of any government, power, authority or forces;

(2) any weapon of war employing atomic fission or radioactive force whether in time or peace or war;

(3) 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 regulations, confiscation by order of any government or public authority, or risks of contraband or illegal transportation or trade;

(o) loss or damage caused, directly or indirectly, by strike, lockout, labor disturbance, riot or civil commotion or by the acts of any person taking part in any such ***occurrence***.

NEWLY ACQUIRED PROPERTY

You may apply up to 25% of the limit of insurance to newly acquired equipment of similar type.
This extension of coverage ceases:

1. on the date more specific insurance takes effect;
2. 30 days from the date of acquisition of the equipment;
3. on the date the value of such property is reported to ***us***; or
4. on the date this coverage is terminated;

whichever occurs first.

HOW MUCH *WE* PAY FOR LOSS OR CLAIM

The following provision applies in addition to others shown under **How Much *We* Pay For Loss or Claim**.

Coinsurance Penalty:
We require that *you* insure ***your*** equipment to 100% of its Actual Cash Value. By doing this, ***we*** treat ***you*** and other ***insureds*** fairly and on the same basis.

If at the time of loss ***you*** do not carry insurance equal to 100% of ***your*** equipment, ***you*** will be penalized if there is a partial loss. ***We*** use the following formula to compute the amount ***we*** pay.

$$\frac{\text{The Amount of Insurance } \textbf{\textit{You}} \text{ Carry at the Time of Loss}}{\text{The Amount of Insurance } \textbf{\textit{We}} \text{ Require at the Time of Loss (100\% of Actual Cash Value)}} \text{ X Loss to } \textbf{\textit{Your}} \text{ Equipment = The Claim Under } \textbf{\textit{Your}} \text{ Policy.}$$

We do not pay more than:

(1) The Actual Cash Value of the equipment; or
(2) The applicable Limit of Insurance (shown above).

Loss to parts:
If there is a loss to any part of an item which consists of several parts when complete, ***we*** are only liable for the actual cash value of the part. The loss is not considered a total loss of the item.

CONDITIONS:

The following conditions apply in addition to other conditions in this policy.
Condition of Property-***Your*** equipment must be in sound condition to be covered by this policy.

OUR **RIGHT OF RECOVERY**:

Any act or agreement by the ***insured*** prior or subsequent to this endorsement whereby any right of the ***insured*** to recover the full amount of any loss or damage to insured property from any carrier, bailee or other liable party is released, impaired or lost, EXCEPT a provision included in a written contract under which the ***insured*** undertakes to perform work, shall make such loss or damage uncollectible under this endorsement. ***Our*** right to retain or recover the premium shall not be affected.