

## CONTRACTORS EQUIPMENT COVERAGE FORM SPECIAL

Each item that is covered must be described on the Declaration Page or on a schedule that is a part of this policy. A coverage amount must be shown for each item. This is the most that **we** will pay for a loss to that item.

### DEDUCTIBLE

The deductible amount shown on the Declaration Page will apply to each loss after all adjustments have been made.

### COINSURANCE

**You** must maintain a minimum coverage amount for each described item. This minimum coverage amount is the full actual cash value of the described item. If the coverage amount at the time of loss is less than the minimum coverage amount, **we** will pay only a part of a loss. **Our** part of the loss will be determined by dividing the coverage amount by the minimum coverage amount. This percentage will be applied to the final adjusted loss to determine the amount that **we** will pay.

### PROPERTY COVERED

**We** cover only those described items for which a coverage amount is shown. It is a condition that at the time this coverage is effective all described items are in sound condition.

### EXTENSION OF COVERAGE

**We** cover contractors equipment acquired during the policy period for up to 30 days after each item is acquired. **You** must provide **us** with a complete description of each item within this 30-day period and pay the additional premium.

**We** cover these items for their actual cash value. The most that **we** will pay for all such items will be the smaller of the following:

1. 25 percent of the total coverage amount for all described items; or
2. \$50,000

Coverage for each item acquired will end at the earliest of the following:

1. when the newly acquired item is reported to **us**;
2. the end of the reporting period shown above;
3. the expiration date of this policy.

### PROPERTY EXCLUDED

**We** do not cover:

1. property that is not in sound condition when this coverage is effective;
2. property that **you** rent to others;
3. property that is waterborne. **We** do cover property that is in transit on a regular ferry, lighter, or carfloat;
4. property that is underground, in caissons, or underwater;
5. property that is or will be a permanent part of a building or structure;
6. plans, blueprints, designs, or specifications;
7. self-propelled vehicles that are designed for highway use;
8. aircraft;
9. watercraft;
10. tires and tubes mounted on vehicles. **We** do cover tires and tubes mounted on covered vehicles, if:
  - a. the loss is caused by fire, windstorm, theft or vandalism;
  - b. the loss is caused by a covered peril which also damages the vehicle.

### PERILS COVERED

1. Except for booms that exceed 25 feet in length, **we** cover direct physical loss to covered property unless the loss is caused by a peril that is excluded. The loss must be due to an external cause.
2. For booms that exceed 25 feet in length, **we** cover direct physical loss to this property caused only by fire; lightning; windstorm; hail; earthquake; flood; smoke; explosion; aircraft, spacecraft, self-propelled missiles and objects that fall from these items; vehicles, including an accident to a transporting vehicle; strike; riot; civil commotion; vandalism; theft; attempted theft; sprinkler leakage; collapse of buildings

and the upset or overturn of the unit of which the boom is a part, or the collision of the unit with another object.

#### **PERILS EXCLUDED**

**We** do not pay for a loss if one or more of the following excluded perils apply to the loss, regardless of other causes or events that contribute to or aggravate the loss, whether such causes of events act to produce the loss before, at the same time as, or after the excluded peril. **We** do not pay for a loss that results from:

1. dishonest or illegal act, alone or in collusion with another, by:
  - a. **you**;
  - b. others who have an interest in the property;
  - c. other to whom **you** entrust the property; or
  - d. the employees or agents of a., b., or c., whether or not they are at work.

**We** do cover loss caused by dishonest acts by carriers or other bailees for hire.
2. mysterious disappearance;
3. any cause when the only proof that a loss occurred is an inventory shortage;
4. dampness of atmosphere;
5. extremes of temperature;
6. corrosion or rust;
7. pitting;
8. mechanical breakdown or failure. If a fire or explosion results, **we** do cover the loss caused by the fire or explosion;
9. electrical currents, other than those caused by lightning, that damage an electrical apparatus or its wiring. If a fire or explosion results, **we** do cover the loss caused by the fire or explosion;
10. a process to repair, adjust, service, or maintain the covered property. If a fire or explosion results, **we** do cover the loss caused by the fire or explosion;
11. the weight of a load when it exceeds the designated capacity of a machine to lift or support the load from any position;
12. loss or damage caused by wear and tear, gradual deterioration, insects, vermin, inherent vice, latent defect, mechanical breakdown or faulty manufacture;
13. breakage, unless caused by any of the following perils: fire, lightning, aircraft, theft or attempted theft, cyclone, tornado, windstorm, earthquake, flood, explosion, malicious damage, or collision, derailment or overturning of conveyance;
14. loss of market, damage or deterioration arising from delay;
15. 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 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;
16. loss or damage caused by or resulting from:
  - a. 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 any agent of any government, power, authority or forces;
  - b. any weapon of war employing atomic fission or radioactive force whether in time of peace or war;
  - c. hindering, combating or defending against such an occurrence, seizure or destruction under quarantine or insurrection, rebellion, revolution, civil war, usurped power, or action taken by governmental authority in customs regulations, confiscation by order of any government or public authority, or risks of contraband or illegal transportation or trade.

#### **TERRITORY WHERE COVERAGE APPLIES**

Coverage applies only while the property is in the United States, Canada, or Puerto Rico. This includes property that is in transit.

Nothing contained here varies, alters, or extends any provision of this policy except as provided in this endorsement.