

Contractor's Equipment Endorsement
Broad Form

1. **Property Insured.** This policy covers contractor's equipment described below or in schedule attached, which is the property of the Insured or the property of others leased, rented or borrowed by the Insured and for which the Insured is liable.

| Item No. | Description | Limits of liability |
|----------|-------------|---------------------|
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |

Catastrophe Limit \$ _____

Deductible \$ _____

2. **Property Excluded.** This policy does not cover:
- (a) animals, motor vehicles designed for highway use, aircraft or watercraft;
 - (b) property while waterborne except while on ferries operating in connection with railroads or public ferries on scheduled routes;
 - (c) property while in cofferdams or while below the ground surface in mining, tunneling or similar operations, unless specifically endorsed hereon;
 - (d) property leased, rented or loaned to others;
 - (e) accounts, bills, jewelry, precious stones, currency, deeds, evidences of debt, money, notes, securities, plans, blueprints, designs or specifications;
3. **Limits of Liability.** The Company shall not be liable for more than the catastrophe limit indicated in the above schedule in any one loss or disaster either in case of partial or total loss or salvage charges or any other expenses or all combined.
4. **Deductible Clause.** Each claim for loss or damage shall be adjusted separately and from the amount of each adjusted loss the deductible amount indicated in the above schedule shall be deducted.
5. **Where Covered.** This policy covers the property insured only while it is within the states of the United States, the District of Columbia (excluding Alaska and Hawaii) and Puerto Rico.
6. **Perils Insured.** This policy insures against direct physical loss of or damage to the insured property from any external cause.(including general average and salvage charges) except as hereinafter excluded.
7. **Perils Excluded.** This policy does not insure against:
- (a) Delay, loss of market or use;
 - (b) Wear and tear, gradual deterioration, inherent vice, latent defect, freezing or overheating, depreciation or obsolescence, rust, or corrosion;
 - (c) Loss or damage caused by any repairing or restoration or remodeling process, structural or mechanical or electrical breakdown unless fire ensues and then only for the loss or damage by such ensuing fire;
 - (d) Loss due to mysterious disappearance, or loss or shortage disclosed on taking inventory;
 - (e) Loss, damage or expense caused by or resulting from misappropriation, secretion, conversion, infidelity or any dishonest act on the part of the Insured or other party of interest, his or their employees or agents, or any person or persons to whom the property may be entrusted (carriers for hire excepted);
 - (f) Loss or damage occasioned by the weight of a load exceeding the registered lifting capacity of any machine under the operating conditions at the time of loss;
 - (g) Loss by nuclear reaction 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;
 - (h) Loss or damage caused by or resulting from: (1) hostile or warlike action in time or 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

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authority maintaining or using military, naval or air forces; or (b) by military, naval or air forces; or (c) by an agent of any such 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.

- (i) Direct loss or damage resulting from Tidal Wave or Flood, howsoever caused. Tidal Wave: is understood to mean the sudden rise of the sea and the attendant action of the waves accompanying such abnormal rise produced by or directly attributable to a meteorological or seismic disturbance. Flood: is understood to mean inundation caused by the bursting of dams or retaining walls of lakes and reservoirs; or by rivers, canals, aqueducts and sewers or similar formation, overflowing their banks, but excluding water pipes, mains or tanks in which water is normally contained
8. **Acquisition Clause.** This policy is extended to cover additional items of a similar nature to those scheduled herein, the Property Insured, which items have been acquired subsequent to the attachment date and during the term of this policy. In consideration of this extension the Insured agrees to report such additions within forty-five (45) days from the date acquired and to pay premium thereon from the date acquired at pro rata of the policy rate. It is specifically understood and agreed, however that this policy shall cease to cover such additional items if they are not reported to the Company within the said forty-five (45) days period. The Company shall not be liable under the provisions of this cause for more than the actual cash value of such, property, and in no event for more than 25% of the total limit of liability under this policy on Contractors' Equipment exclusive of the provisions of this clause.
9. **Coinsurance Clause.** The Company shall be liable for no greater proportion of any loss or damage than the amount hereby insured bears to 100% of the actual cash value of the property insured hereunder at the time when such loss or damage occurs. If this policy covers two or more items, this condition shall apply to each item separately.
10. **Other Insurance.** This insurance shall not apply to any loss except as excess insurance where any other valid and collectible insurance exists at the time of loss or damage whether prior or subsequent hereto as to date and whether fire or inland marine or casualty or any other kind of insurance in the name of the Insured or others on any loss until the amount due from all such other insurance shall have been exhausted; it being understood and agreed that under this policy the Insured is to be reimbursed to the extent of the difference between the amount due from such other insurance and the amount of actual loss sustained by the Insured after applying any and all contributions, coinsurance, average or distribution clauses contained in such other policies of insurance not exceeding, however, the applicable limit or limits as specified in this policy.
11. **Assignment of Policy.** This policy shall be void if assigned or transferred without the written consent of the Company.
12. **Impairment of Recovery Rights against Carriers.** Any act or agreement by the Insured, prior or subsequent hereto, whereby any right of the Insured in the event of loss or damage to recover the full value of or amount of damage to any property insured hereunder against any carrier, is released, impaired or lost, shall render this policy null and void as to such loss but the Company's right to retain or recover the premium shall not be affected. It shall, however, be permissible for the Insured, without prejudice to this insurance, to accept the ordinary bills of lading issued by common carriers. The Company is not liable for any loss or damage which without its consent has been settled or compromised by the Insured.
13. The amount of insurance provided by this policy shall not be reduced by any loss hereunder except that insurance on any scheduled item of property shall be cancelled by a total loss thereto and pro rata return premium shall be payable thereon.

The terms and conditions of this form wherein they conflict are to be regarded as additional to those of the policy to which it is attached and so far as they are inconsistent therewith shall supersede the same.