



Equipment Breakdown

Why do you need equipment breakdown coverage?

You rely on equipment

You depend on computer and office equipment, electrical systems, air conditioning and heating systems. This equipment is subject to sudden and accidental breakdown. A breakdown can be not only expensive to repair, but can cause business interruption, which can translate to lost customers.

Rely on our coverage

Most standard property policies exclude equipment breakdown coverage. Equipment breakdown insurance pays for: physical damage, business income, spoilage losses and extra expenses to speed repairs.

Protect your business

The coverage protects against covered losses caused by:

- Short circuit
- Electrical arcing
- Power surges
- Mechanical breakdown
- Motor burnout
- Boiler damage
- Operator error

Equipment covered

- Electrical distribution system
- Heating and cooling systems
- Telephone systems
- Computers
- Refrigeration

Coverage, plus more

Many states and local governments require boilers and pressure vessels to be inspected periodically by commissioned inspectors. We include these inspection services so you avoid local fees in many jurisdictions and only pay the certificate fee.

The risks are real

Power surge is transmitted through a LAN, damaging 200 computers.

Total Loss: \$ 124,672

A power surge damages air conditioning compressor, ice machines, microwaves and other appliances.

Total Loss: \$ 60,467

Air conditioning system piping leaks into telephone switching equipment, shorting it out.

Total Loss: \$ 132,749

Equipment Breakdown

It happened to them, it can happen to you!

1. Electric

Convenience Store - Electrical arcing damaged a power panel and a gasoline controller computer. The computer system would no longer properly track sales and fuel inventory.

Total paid loss: \$10,337

School - Teachers and students noticed a burning smell as the lights dimmed in the building. The school's transformer had shorted to ground and classes were canceled for two days while it was replaced.

Total paid loss: \$40,364

2. Air Conditioning & Refrigeration

Attorney's Office - An off-site electrical line disturbance damaged the air conditioning system.

Total paid loss: \$10,051

Grocery Store - A refrigeration pipe cracked due to excessive vibration.

Total paid loss: \$8,308

3. Boilers & Pressure Vessels

Funeral Home - A boiler overheated due to excessive scale and lack of maintenance. The boiler was replaced.

Total paid loss: \$14,000

Dry Cleaning - The outer casing above a burner assembly of a vertical flueless boiler was severely burned and distorted. Although the boiler still operated, repairs were necessary for the business. The damage was traced to a condition caused by earlier repair work.

Total paid loss: \$12,581

4. Computers & Communications

Quick Print Shop - An electrical utility line disturbance damaged the printing computer system.

Total paid loss: \$31,353

Dentist's Office - An electrical surge damaged the computer system. The loss included \$2,100 for data recovery, \$2,755 for installation of a new hard drive and \$3,973 for business income.

Total paid loss: \$8,828

5. Mechanical

Deli - While cleaning a dough machine, the machine was dropped and internal components were damaged. A re-manufactured machine was ordered and a rental was obtained in the interim.

Total paid loss: \$23,000

Machine Shop - A surface grinder was damaged when it flew off the magnetic chuck, striking and damaging the spindle. Replacement parts were not available and had to be manufactured.

Total paid loss: \$24,145

6. Renewable/Alternative Energy

Wastewater Facility - The dome over a concrete tank came loose and lifted up killing anaerobic bacteria which treated sewage and produced methane to power the plant. The primary digester was damaged.

Total paid loss: \$61,960

7. Production

Circuit Board Maker - The testing machine began to smoke. Investigators found 52 switch cards and the motherboard were melted and charred due to an electrical event.

Total paid loss: \$185,000

Talk to your Badger Mutual agent about adding Equipment Breakdown coverage to your business policy.



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