

# Equipment Breakdown Coverage

## Claim Examples

Protect yourself from unexpected losses!

Equipment breakdown insurance adds coverage for electrical, mechanical and pressure system breakdowns to your existing policy. Typically, equipment breakdown losses are unexpected, unbudgeted and, most importantly, uninsured under the standard commercial property form. We automatically include equipment breakdown coverage as an option on all quotes that provide coverage for commercial property exposures.

If you think the exposure isn't real, consider the following "real life" claims examples pulled from our claims database:

- ▶ **Vacant Building**  
A cast iron boiler experienced a low-water condition and was destroyed.  
*Property damage loss incurred/paid: \$12,760*
- ▶ **Child Care Facility**  
The central heating system (hot water boiler) suffered cracking of one of its sections.  
*Property damage loss incurred/paid: \$36,000*  
*Business interruption loss incurred/paid: \$28,000*
- ▶ **Commercial Office Building**  
A broken shaft in a centrifugal air conditioning compressor resulted in property damage.  
*Property damage loss incurred/paid: \$34,800*
- ▶ **Bar/Restaurant**  
Insulation breakdown occurred in the motor of a hermetically sealed refrigeration compressor causing frozen food to spoil.  
*Property damage loss incurred/paid: \$5,852*  
*Consequential food spoilage loss incurred/paid: \$4,900*
- ▶ **Building Under Renovation**  
The 1,000 AMP electric service panel in a motor short circuited, shutting off power to the entire facility.  
*Property damage loss incurred/paid: \$4,800*
- ▶ **Specialty Training School**  
A low-water condition in a large cast-iron boiler resulted in replacement of one section of the boiler. A backup boiler was used to maintain the building heat while the damaged boiler was repaired.  
*Property damage loss incurred/paid: \$18,400*
- ▶ **Lessor's Risk**  
A power surge resulted in the single phase operation of a hermetically sealed 25-hp driving motor in the air conditioning system.  
*Property damage loss incurred/paid: \$28,600*