

Equipment Breakdown Insurance



Hartford Steam Boiler is the largest writer of equipment insurance in the United States and Canada. Our superior rating by A.M. Best exemplifies our financial stability and tradition of sound underwriting.

Five Reasons Why You Need Equipment Breakdown Insurance

1 Equipment You Depend On

Business, institutions and municipalities are acquiring and increasingly relying on costly equipment and new technologies. Whether it's electrical distribution, production machinery, environmental controls, refrigeration or computers — equipment is vital to your operations. Reliance on new technologies and equipment has actually led to a greater probability that a business critical system will fail. In retail outlets and restaurants, municipalities and offices alike, the resultant unbudgeted losses can be extremely costly and, in many cases, greatly impact the bottom line.

2 Equipment Breakdown Insurance Covers More Than Just Repair Costs

Equipment Breakdown insurance helps protect you from the costs associated with losses to your facility's equipment. It pays for:

- Direct property loss — the cost to repair or replace the damaged equipment;
- Costs associated with the time and labor to repair or replace the equipment;
- Other expenses incurred to limit the loss or speed the business restoration;
- The loss value of spoiled products or materials;
- Business recovery expenses.

In short, Equipment Breakdown insurance covers the physical damage — and the financial damage — that stems from an insured equipment failure. It's bottom-line protection that is essential for today's technology-intensive businesses.

3 Protection Against Damage Caused By:

- Short circuits/electrical arcing • Power surges
- Mechanical breakdown • Motor burnout
- Boiler damage • Operator error

4 Equipment Breakdown Insurance Covers Many Types of Equipment

Electrical Distribution Systems

Maximum power uptime is important for any business, institution or municipality. The loss of power can mean the loss of income and customers. Since the panels, circuit breakers and cables in your power distribution are all interconnected, a short circuit in one part can spread instantly to other parts of the system. The cause can be as simple as a loose connection, dust or high humidity.

Heating and Cooling Systems

Today's HVAC systems are more complex and costly to repair. Failures are common and cost tens of thousands of dollars. If the climate becomes inhospitable due to lack of heating or air conditioning, there is loss of productivity, and loss of income if you service customers on site.

Telephone Systems

If your phone goes down, so does your business. Phones have a circuitry that is easily affected by voltage spikes, heat, vibration and moisture.

Electronic Equipment

Virtually every business, institution or municipality depends on electronics. Whether you're using computers to design and manufacture high technology components, track productivity data, keep the books straight, computers rely on highly sensitive and fragile technologies. They contain circuitry that is vulnerable to damage.

Refrigeration

If your business depends on refrigeration, a breakdown can cause more than the loss of a major equipment investment, it also could mean the loss of costly perishable goods and business income. And, what about the cost of the refrigerant you'd have to replace?

5 Typical Losses

The following are actual losses and the coverage provided by Equipment Breakdown insurance:

Power surge in an office building is transmitted through a LAN, damaging 200 computers.

Direct Property Loss:	\$ 100,000
Business Interruption Loss:	\$ 24,672
Total Paid Loss:	\$ 124,672

A plug in a hot water meter failed, damaging the boiler, hot water heater and electrical panels.

Total Paid Loss:	\$ 65,630
-------------------------	------------------

Power surge in a restaurant damages an air-conditioning compressor, ice machines, microwaves and other appliances.

Total Paid Loss:	\$ 60,467
-------------------------	------------------

Air conditioning piping leaks water into telephone switching equipment. Shorts out equipment.

Direct Property Loss:	\$ 89,859
Business Interruption Loss:	\$ 42,890
Total Paid Loss:	\$ 132,749