

COMMERCIAL

EQUIPMENT BREAKDOWN INSURANCE

Breakdowns can occur at any type of business resulting in a loss of productivity and revenue. Keep your business on track with Equipment Breakdown coverage from Centauri Insurance.

Equipment breakdown is commonplace, costly and rarely covered by most property insurance policies. Our unique coverage offers a seamless and comprehensive package that helps avoid those problematic gaps in coverage. In addition to protection against property damage and business interruption, we also include coverage for a wide range of potential exposures, such as expediting expenses, hazardous material, media, service interruption and spoilage.

Most businesses have numerous insurable equipment breakdown exposures. Many utilize fired and unfired pressure vessels and air conditioning systems with equipment ranging from motors and compressors to boilers and air tanks. All types of business systems are present including, printers, computers, servers, telephone systems and routers.

Mechanical and electrical breakdowns are the most prevalent causes of loss to office buildings, retail and service businesses. Breakdown of mechanical or electrical equipment can lead to an interruption of business and, in the case of refrigeration compressors, lead to food spoilage.

Some jurisdictions require that boilers and pressure vessels be inspected by a qualified inspector. With Centauri, these services are provided at no additional charge as part of our Equipment Breakdown coverage.

POTENTIAL EXPOSURES

- Motors
- Emergency Generators
- Transformers
- Electric Service Panels
- Switchgear
- Communications Equipment
- Computers
- Servers, Routers
- Compressors
- Pumps
- Boilers
- Refrigeration Units
- Air Conditioning Units
- Copiers
- Water Heaters
- Transformers



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Examples of Losses

Office

A fractured shaft in a centrifugal air conditioning compressor resulted in property damage and loss of rental income.

Property Damage: **\$34,800**

Business Interruption: **1 Day**

Extra Expense: **\$12,000**

Machine Shop

The electrical breakdown of computer control equipment caused the shutdown of a vertical milling machine. This loss was a result of a switching surge on the electrical system. Delay in the receipt of repair parts due to availability caused a partial business interruption loss of three days.

Property Damage: **\$3,550**

Printer

A six-color printing press was severely damaged during set-up when a small setscrew came loose causing one of the carriage bars to twist, break and jam the press. The sudden stoppage caused additional damage to the roller bearings, retaining collars, drive chains and grippers.

Property Damage: **\$65,000**

Extra Expense: **\$27,000**

Refrigeration

The piston rod supporting the chiller's compressor snapped after liquid refrigerant back-fed into the compressor. As a result, the compressor was replaced.

Property Damage: **\$24,500**

Electrical Equipment

An artificially generated surge caused electrical damage to 35 light ballasts throughout the office building. Due to the extent of damage, the ballasts were replaced.

Property Damage: **\$12,500**

NEW Coverage Enhancements

We recently enhanced our coverage to offer superior equipment breakdown protection against mechanical, electrical and pressure systems breakdown. Designed to broaden coverage, these enhancements help you deliver more value to your customers by keeping their businesses ahead of today's evolving business exposures and emerging risks. Our new enhancements include:

Risk Improvement

Pays up to 10% of the paid equipment breakdown loss amount, to a maximum of \$10,000, for power quality risk improvements where the covered property suffers direct physical loss or damage, regardless of whether the cause was a mechanical, electrical or pressure systems breakdown. The power quality improvement can be located anywhere at the loss location.

Temperature Fluctuation

Pays up to \$5,000 for spoilage loss that was not the result of a covered equipment breakdown loss. The resolution for loss must be due to cleaning, adjusting, calibration, tightening or re-setting.

Off-Premises

Pays up to a maximum of \$25,000 for a covered equipment breakdown loss to covered property while away from a covered location.

Data Restoration

The limit for data restoration has been increased to \$100,000.