

## TYPICAL BREAKDOWN LOSSES

- **Real Estate Developer** - An electrical power surge caused extensive damage to telephone equipment.  
Property Damage: \$42,290.10
- **Office Building** - The failure of air conditioning centrifugal compressor resulted in bearing, shaft and impeller damage.  
Property Damage: \$46,012.00
- **Graphics Company** - Burn out and short circuiting of CAD/CAM computer resulted in loss of production.  
Property Damage: \$10,118.10
- **Resort Hotel** - A low water condition resulted in overheating and cracking of a boiler.  
Property Damage: \$8,400.00
- **Nursing Home** - Metal fatigue resulted in the breakdown of the drum shaft on an Industrial Washing Maching/Extractor.  
Property Damage: \$9,576.50
- **Condominium Building** - High-voltage underground cables shorted to ground, causing damage to the transformer and resulted in lack of power to the building.  
Property Damage: \$59,223.00  
Business Interruption: \$6,776.00
- **Plaza Restaurant** - Three transformers, property of the plaza, burned out. The restaurant (a tenant) suffered a Service Interruption loss and food spoilage.  
Spoilage: \$3,971.12  
Business Interruption: \$7,305.13

# Equipment Breakdown Coverage

**Commercial**



PHOTO: GETTY IMAGES

**NEW  
COVERAGE**

# Equipment Breakdown Coverage

## WHY EQUIPMENT BREAKDOWN COVERAGE?

Property policies specifically exclude some of the most common equipment breakdowns, including electrical arcing, mechanical breakdown, rupture or cracking. These kinds of gaps can cause costly property damage and loss of revenue or extra expense.

## WHAT'S COVERED?

Nearly everything that is mechanical, electrical or under pressure can be insured for loss due to *breakdown*. The most common types of equipment would include heating boilers, air conditioning and refrigerating units, electrical panels, computers and telephone systems.

## PROTECTING THE EQUIPMENT A BUSINESS NEEDS MOST

- Computer, Printers
- Telephone Systems
- Photocopiers, Fax Machines
- Diagnostic Equipment
- Security Systems
- Stoves, Ovens
- Retail Scanning Equipment
- Boilers, Hot Water Tanks
- Air Conditioning & Refrigeration
- Mechanical Pumps, Fans & Compressors
- Electrical Motors, Transformers & Panels

**Spoilage Coverage** is also included. Loss of the insured's perishable goods that spoil as a result of a *breakdown* is covered to the policy limit.

## ADDITIONAL FEATURES

- Business Interruption/Extra Expense if provided in property coverage
- Bylaws
- Professional/Auditors fees if provided in property coverage
- Hazardous substances to a limit of \$25,000
- Expediting expenses
- Broader definition of insured equipment
- Broader definition of Accident Breakdown
- Low Deductible
- Service Interruption (electricity, telephone, heating and cooling)
- Livestock Mortality to a limit of \$100,000

**HIGHLIGHTS ONLY.** Actual policy wordings govern.  
Coverage availability subject to underwriting eligibility.



**Trillium**  
Mutual Insurance Company

Toll Free: 1-800-265-3020

 **ONTARIO'S MUTUAL  
INSURANCE COMPANIES**

*Protecting Communities For Over 100 Years!*