



PROTECTING YOUR ESSENTIAL BUSINESS EQUIPMENT & TECHNOLOGY

As a business owner, the last thing you have the time for is something unexpected, like the breakdown of equipment or technology your business relies on to run smoothly every day. Whether a mechanical failure, power surge, or even operator error causes one machine or a whole system to crash, a breakdown can mean expensive repairs or replacements, as well as lost income, perishable goods spoilage, or an extended shutdown.

WHEN CRITICAL EQUIPMENT AND TECHNOLOGY BREAK DOWN, THE LOSSES CAN ADD UP FAST

The following are real-life examples that demonstrate the potential impact on a business owner's bottom line.

\$187,500

The price for repairing an apartment building's electrical system after extensive arcing damage.

\$52,500

The cost of restoring an office tenant's telephone service after a burnout of two terminal boards in the phone system computer.

\$30,220

The total losses after a restaurant compressor, air-conditioning unit, computer, and exhaust fan were damaged by a power surge.

Did You Know?

Many business owners believe their businessowners policy (BOP) provides all the protection they need to cover a breakdown of critical equipment and technology. While a typical BOP does include commercial property insurance, which usually covers damages to your building and its contents, this protection is triggered only when the loss is due to a named peril, such as fire or wind. If a breakdown is due to a mechanical or electrical failure, like a power surge, electrical short, or motor burnout, the standard BOP typically doesn't provide coverage.

EQUIPMENT BREAKDOWN COVERAGE IS AN IMPORTANT ENDORSEMENT EVERY BUILDING AND BUSINESS OWNER SHOULD CONSIDER.

The Andover Companies Equipment Breakdown solution is designed to help commercial property and business owners recover from the financial impact of a sudden or accidental mechanical or electrical breakdown of a variety of critical equipment or technology. This is a valuable endorsement to add to your current businessowners policy, because it typically goes well beyond simply helping you with the costs of repairing or replacing the failed system when you experience a covered event.

THE FOLLOWING ARE EXAMPLES OF WHAT MAY BE PROTECTED UNDER THIS ENDORSEMENT.



TYPES OF EVENTS

- Power Surges
- Short Circuits
- Electrical Arcing
- Mechanical Breakdowns
- Motor Burnouts
- Boiler Steam Explosions
- And More...



TYPES OF EQUIPMENT

- Motors and Engines
- Electrical Panels and Cables*
- Computers and Communication
- Heating, Cooling, and Ventilation
- Refrigeration
- Boilers and Pressure Vessels*
- Elevators**
- And More...



TYPES OF EXPENSES

- Equipment, Time, and Labor for Repairs/Replacement
- Temporary Replacement Equipment
- Business Income Losses
- Perishable Goods Replacement
- Damages to Other Covered Property (if related)
- And More...

*Hydrostatic, pneumatic, or gas pressure testing of any boiler or pressure vessel or an electrical insulation breakdown test of any type of electrical equipment is not covered under this endorsement. **Elevator collisions are not covered under this endorsement.

Your local insurance agent has more information to share about this vital insurance option. Please contact them today to discuss the benefits of adding the Equipment Breakdown endorsement to your current businessowners policy program.

For more information about these coverages, please contact your local insurance agent. They will guide you through the coverage selections that are best for you. Please note that this flyer is for informational purposes only. Visit andovercompanies.com to learn more.