



# Banks and Financial

## Why Do You Need Equipment Breakdown Insurance?

### You Rely On Equipment

Banks and financial services institutions rely heavily on phone systems, computer equipment, HVAC, and electrical distribution and security systems to operate efficiently. Frequently, this equipment is run by sensitive, expensive-to-repair electronic technologies. A breakdown could mean costly repairs as well as business interruption expenses that could mount as disrupted customers go elsewhere.

### Rely On Our Coverage

Equipment breakdown can significantly impact your business. Yet, most standard property policies exclude the coverage.

Equipment Breakdown insurance pays for physical damage to equipment caused by mechanical and electrical breakdown. It can also cover business income or spoilage losses due to an equipment breakdown and your extra expenses to limit the equipment loss or speed repairs.

### Protect Against Loss

The coverage protects against covered losses caused by:

- Short circuit • Electrical arcing • Power surges
- Mechanical breakdown • Motor burnout
- Boiler damage • Operator error

### Common Causes

#### Communication Systems

Computer technology and phone systems are indispensable to your business. If they go down, so does business. This costly equipment contains sophisticated, fragile circuitry that is susceptible to electrical surges and spikes.

#### Heat and Hot Water

Many office buildings use boilers to provide heat and hot water. Boilers are susceptible to breakdown due to pump or low-water cut-off mechanism failure.

#### Air Conditioning

Air conditioning systems are vulnerable to breakdown that can result in costly repairs. And, because of the ban on CFCs, replacing the system's refrigerant can cost thousands of dollars.

#### Electrical Distribution System

Lost power often means lost income and disrupted customers. A short circuit in one part of an electrical distribution system can easily spread to other parts, affecting your entire facility, because panels, circuit breakers, and cables are interconnected. The cause can be as simple as a loose connection, dust, or high humidity.

#### Building Automation Systems

Today's "smart" buildings contain sophisticated electronic equipment that operates boilers, air conditioning, lights, elevators, and fire detection and security systems. The sensitive, fragile electronics are vulnerable to severe damage from electrical surges and spikes.

### Coverage, Plus More

Many states and local governments require boilers and pressure vessels to be inspected periodically by commissioned inspectors. Our program includes these inspection services so you avoid local fees in many jurisdictions and only pay the certificate fee.

### The Risks Are Real

*A bank's boiler dry-fired due to an open low-water cut-off valve and a broken water-feed pipe. The tubes inside the boiler melted and the boiler warped. The boiler had to be replaced.*

**Total Loss:** \$ 47,200

*A power surge burned out the motor on an air conditioning system's centrifugal compressor. Another unit was rented to keep the bank in business during repair.*

**Total Loss:** \$ 45,049

This summary gives a general description. For all coverages, conditions and exclusions, refer to the policy.