



# Restaurants

## Why Do You Need Equipment Breakdown Insurance?

### You Rely On Equipment

Many restaurants depend upon a full range of equipment which includes computer-based cash registers integrated with point-of-sale (POS) management systems, multiple refrigeration systems, air conditioning, hot water heaters, heating boilers, jacketed kettles, steamers, electrical systems, and commercial grade sound systems.

### Rely On Our Coverage

Equipment breakdown can significantly impact your ability to operate. 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

#### Air Conditioning System

Restaurant air conditioning systems are prone to breakdown because they are heavily used. When the A/C breaks down, uncomfortable customers tend to take their business elsewhere.

#### Electrical Distribution System

Transformers, circuit breakers, and electrical distribution panels can be costly to replace. Loss of electrical power often means the restaurant cannot operate.

#### Electronic Cash Register / POS System

Electronic cash registers integrated with POS systems use technologies with sensitive computer components that can be damaged by power surges and electrical disturbances.

#### Refrigeration

Restaurants contain a range of refrigeration equipment including walk-in refrigerators and freezers, ice makers,

reach-in units, beverage coolers, and machines for soft ice cream or shakes. Breakdown of refrigeration equipment often results in loss of product and customers.

#### Heating Boiler / Storage Water Heater

Breakdown of heating equipment can interrupt operations and result in a business income loss. Due to health laws, breakdown of the ware-washing and hot water equipment can close a restaurant.

#### Ovens / Stoves

Cooking equipment with electronic controls can be damaged by power surges and other electrical disturbances.

#### Audio System

Commercial sound systems contain sensitive circuitry and electronics that are prone to damage from power surges.

### 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 restaurant lost refrigeration in two walk-in coolers and a freezer when utility power quality problems damaged compressors and motors. A variety of expensive food products spoiled.*

**Total Loss:** \$ 32,867

*A chain restaurant was closed for 10 days after loose connections caused severe arcing that damaged the main electrical panel.*

**Total Loss:** \$ 52,010

*A 100-hp air conditioning compressor connecting rod broke resulting in damage to internal parts.*

**Total Loss:** \$ 23,453

*A condenser fan mounting bracket in an air conditioning unit broke, causing the fan blades to damage the condenser coils.*

**Total Loss:** \$ 13,558

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