



# Self Storage Organizations

## Why Do You Need Equipment Breakdown Insurance?

### You Rely On Equipment

Electrical distribution, phone, and security systems, HVAC, and business equipment are vital to the operation of an office building—and subject to sudden and accidental breakdown. Frequently, this equipment relies on sensitive technologies that are expensive to repair.

### 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

#### Electrical Distribution System

Lost power can not only shut down a complex, but can cost you thousands of dollars and weeks to repair. When you consider that panels, circuit breakers, and cables are all interconnected, you can see how damage—and costs—can quickly escalate. A simple loose connection, dust, or high humidity is all it takes.

#### Heating and Cooling System

Many office buildings use boilers to provide heat and hot water, and air conditioning units containing expensive compressors for cooling. Yet HVAC failures are common. Income can be lost while this equipment is repaired or replaced—at significant cost.

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

#### Telephone Systems

When the phones go down, so does a business. Phone circuitry is easily affected by voltage spikes, heat, vibration, and moisture. It doesn't take much.

#### Computers

Today, what business doesn't depend on computers? Yet the highly sensitive and fragile technology computers rely on highly susceptible to damage.

#### 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

*Power fluctuations shorted an HVAC control panel. Due to the severity of the damage, the control panel had to be replaced. The insured suffered an additional \$5,000 in electricity costs because the conditioning could not be regulated properly.*

**Total Paid Loss: \$ 47,098**

*Electrical power fluctuations shorted an air conditioning compressor.*

**Total Paid Loss: \$ 27,307**

*A boiler's low-water cut-off valve malfunctioned, causing the boiler to run dry and overheat.*

**Total Paid Loss: \$ 12,740**

*Air conditioning system piping leaked into telephone switching equipment; shorting it out.*

**Direct Property Loss: \$ 89,859**

**Business Interruption Loss: \$ 42,890**