



Contractors

Why Do You Need Equipment Breakdown Insurance?

You Rely On Equipment

Computer and office equipment are vital to the operation of a contracting business. This equipment contains technologies that are sensitive and expensive to repair. Since much of this equipment is electrically driven, it is especially susceptible to damage resulting from voltage variations or surges. A breakdown can result in repair costs in the thousands, and may also shut down your business. If you can't quote on a job, you aren't going to win the contract.

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

Office Systems

Today's contractors use modern phone systems, computers, blueprint machines, faxes, and photocopiers that contain sophisticated electronics. The sensitive circuitry is fragile and vulnerable to severe damage from electrical surges and spikes. These systems' circuitry is also expensive to repair — and replace.

Heat and Hot Water

Many 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.

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 power surge shut down a 16-card phone system, leaving a busy contracting business with only two phone lines. The surge also damaged the motherboards of five computer systems. The computers were repaired, but the entire phone system needed to be replaced.

Total Loss: \$ 11,125.00

A power surge destroyed a construction company's two computers and two monitors were damaged beyond repair. The CPU was melted and soot infiltrated the systems.

Total Loss: \$ 6,150.00

A short circuit caused damage to a compressor for a 20-ton air-conditioning unit. The unit had to be replaced.

Total Loss: \$ 2,430.78

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